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New York

President:	Mr. Pleuger	(Germany)
Members:	Algeria	Mr. Baali
	Angola	Mr. Gaspar Martins
	Benin	Mr. Adechi
	Brazil	Mr. Valle
	Chile	Mr. Muñoz
	China	Mr. Wang Guangya
	France	Mr. De La Sablière
	Pakistan	Mr. Akram
	Philippines	Mr. Baja
	Romania	Mr. Motoc
	Russian Federation	Mr. Konuzin
	Spain	Ms. Menéndez
	United Kingdom of Great Britain and Northern Ireland	Mr. Thomson
	United States of America	Mr. Cunningham

Agenda

The situation in Afghanistan

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04-29919 (E)

The meeting was called to order at 10.10 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Afghanistan

The President: I should like to inform the Council that I have received letters from the representatives of Afghanistan, India, Ireland and Japan in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mr. Farhâdi (Afghanistan) took a seat at the Council table; the representatives of the other aforementioned countries took the seats reserved for them at the side of the Council Chamber.

The President: In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Jean-Marie Guéhenno, Under-Secretary-General for Peacekeeping Operations.

It is so decided.

I invite Mr. Guéhenno to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

At this meeting, the Security Council will hear a briefing by Mr. Jean-Marie Guéhenno, Under-Secretary-General for Peacekeeping Operations, and a briefing by the representative of Germany.

I now give the floor to Mr. Guéhenno.

Mr. Guéhenno: In the light of the very successful conference on Afghanistan held last week in Berlin, it is fitting that the Security Council should take stock of what was achieved at the conference and what now lies before us in terms of capitalizing on the momentum gained in Berlin to complete the Bonn process successfully.

First, let me reiterate our deep thanks to the German Government for the outstanding preparation and organization that went into the holding of the conference. The leadership of the German Government in putting the conference together was absolutely critical to its success. The Special Representative of the Secretary-General for Afghanistan, Mr. Jean Arnault, the United Nations Assistance Mission in Afghanistan and we in the Secretariat are extremely grateful for the very effective collaboration that we enjoyed with our co-Chairs — the Afghan Government, Germany and Japan — at all levels.

The achievements of the conference are numerous, and I do not want to steal the thunder of the Permanent Representative of Germany by detailing them all. However, I believe that the conference reasserted the unity of purpose and long-term commitment that have been a hallmark of the international community's engagement in Afghanistan. The presence in Berlin of some 25 ministers and numerous other high-ranking Government officials is a clear signal of the international community's continuing resolve to assist the Afghan Government and see the peace process through to its completion, to a point when peace and stability are firmly established and economic development is on track.

The Berlin declaration, adopted by the participants, provides a clear statement of vision for this remarkable partnership, and the proof of it was clearly offered by the very generous pledges that the Government received. The $4.4 billion committed for the current fiscal year was over 100 per cent of the amount that had been sought, and the $8.2 billion committed for three years represented 69 per cent of the funds requested for that period by the Ministry of Finance. Above all, that generosity suggests a level of continuing donor confidence in Afghanistan that is a credit to President Karzai's leadership and his Government's effective handling of the funds committed so far.

The conference also approved a comprehensive work plan, annexed to the declaration, providing us all with a blueprint for international cooperation with the Afghan Government. The work plan, endorsed by the

Afghan Cabinet, provides clear benchmarks and targets to be met in the political, security and economic spheres over the coming months and years.

Also agreed in Berlin was a strong framework for regional cooperation in countering narcotics by Afghanistan and its neighbours. That agreement expresses the resolve of the region to combat the terrible threat that drug trafficking poses to Afghanistan, its neighbours and the world beyond.

In the margins of the intergovernmental conference, two other important meetings were held. A meeting of Afghan civil society members provided a set of useful recommendations to the Afghan Government. A donor meeting for the elections was also held at which donors provided pledges of some $68 million, against the needs of some $135 million, for the presidential and parliamentary elections to be held in September in Afghanistan and for the refugee communities in Pakistan and Iran. This result is significant in that it provides sufficient funds for critical start-up costs and procurement for electoral activities. The importance of raising the remaining funds required should not be underestimated, however. We hope that this early generosity also implies that donors recognize that the rest of the funding must be found soon if the tight electoral time frames are to be met.

The achievements that I have mentioned are truly impressive. However, their full impact will be felt only if we capitalize on the momentum of Berlin to ensure that the peace process receives the support it needs.

The tasks still facing Afghanistan remain daunting. I will not elaborate here on the huge challenges on the reconstruction and development front, except to stress, as some of my colleagues did in Berlin, that the ambitious level of growth and assistance sought by the Afghan Government would still deliver a per capita income of only $500 by 2015. That is a clear reminder of how far Afghanistan has to go, of how important the timely disbursement of pledges can be, and of the amount of work that the Afghan Government must do to ensure that even those very meagre expectations of a peace dividend are met.

The conference also highlighted the challenge of combating what the Secretary-General has called the rising tide of the drugs economy. Opium production in Afghanistan in 2003, estimated at 3,600 tonnes produced on 80,000 hectares, will represent a further increase above the already high 2002 figure — a figure that generated an income equivalent to over half of Afghanistan's national income. Turning back this tide will take a concerted effort, as well as patience, but the immediate efforts of the Afghan Government on the eradication front must also be supported.

While not downplaying the importance of those challenges, I would nevertheless like to stress here the very pressing, short-term demands that now face the country if Afghanistan is to achieve the next stage of the Bonn process — that is, national elections. As Mr. Arnault said in Berlin, the response to the registration process so far provides evidence of the Afghans' strong desire to participate in the political process.

In the work plan annexed to the Berlin declaration, the Government has agreed to take a number of steps to help ensure freedom of expression and political organization, a level playing field for political parties and their candidates, a neutral civil service and military, freedom of the press and equal access to it. At the request of the Government of Afghanistan, we are prepared, jointly with the Afghan Human Rights Commission, to monitor closely the implementation of political rights across the country in the hope that this will increase opportunities and incentives to achieve these benchmarks.

However, the vast majority of Afghans remain convinced, above all, that elections require prior disarmament. The fighting that broke out in Herat two weeks ago underscores the threat that factional rivalries pose to the exercise of credible, free and fair elections. If factional military forces continue to be a dominating feature of the political scene, they are bound to curtail the political liberties necessary for truly civilian politics and a credible election. They must not be allowed to do so.

(*spoke in French*)

Without substantial improvements in the security situation, the elections will be threatened. The work plan provides for the intensification of disarmament, demobilization and reintegration (DDR) efforts to encompass 40 per cent of current militia and the cantonment of all heavy weapons by this June. Success in DDR programmes will depend to a great degree on the leadership of the Afghan Government. It is now absolutely vital that that goal be achieved. This has indeed been a long-standing priority project, and

progress made towards its achievement will boost the Government's authority and legitimacy and that of all political leaders who have committed themselves to its success. This disarmament process will also be in keeping with the legal requirements of the new political party law, which mandates the clear separation of political formations from their military wings as a precondition for their participation in the electoral process.

In that context, I would like once again to underscore the need for adequate international security assistance to support the efforts of the Afghan Government in the electoral process and to protect that process from both factional threats and attempts to simply terminate it. The Afghan national army will be able, we all hope, to become actively involved in deterring all factional violence, as it is doing now in Herat, and to ensure the monitoring of heavy weapons cantonment, as it is doing today in Mazar-e-Sharif.

By June the newly trained units of the Ministry of the Interior could be deployed in larger numbers to help create an environment that is more conducive to the free operation of parties and independent candidates. The provincial reconstruction teams are also expected to continue to play a positive role in facilitating DDR operations and deterring interference.

Nevertheless, the Afghan and international security forces currently deployed in Afghanistan have limited capacity, and they will be overextended if they have to assume the immense task of supporting a credible election process that is acceptable to all. Therefore, I wish to join the voice of the United Nations to President Karzai's recent appeal to NATO and the coalition to increase deployment of international forces in order to help the Afghan Government fulfil its commitment to hold free and fair elections. These elections will demonstrate the international community's solidarity, which thus far has been evident in support of Afghanistan. Let us not forget that we will judged by the quality of the outcome.

The President: I shall now make a statement on the outcome of the Berlin conference in my capacity as the representative of Germany. Please forgive me for taking the floor at the outset of this meeting, but we thought that, as representative of the host country, we would, from our point of view, familiarize members with the results of the Berlin conference, held last week from 31 March to 1 April.

Let me say first that I would like, on behalf of the delegation of Germany, to thank Under-Secretary-General Guéhenno for his very comprehensive briefing, which I fully support, and for the kind words addressed to my Government. I also align myself with the statement of the presidency of the European Union, to be made later at this meeting by the permanent representative of Ireland.

The official title of the Berlin conference was "Afghanistan and the International Community — A Partnership for the Future". This title reflected accurately the central message of this conference. Further reconstruction of Afghanistan remains, after the conclusion of the Petersberg Process, a common endeavour of the international community and Afghanistan, under the auspices of the United Nations.

The presence at this event of 65 delegations, including all State members of the European Union, the Group of 8 (G-8) and NATO, as well as Afghanistan's neighbours and other particularly interested countries — many at the Foreign Minister level — underlined the continued international commitment to creating a secure, stable, free, prosperous and democratic Afghanistan.

At the same time, Afghanistan's ownership has clearly increased, as demonstrated not only by the Afghan role as co-host and co-chair of the conference, but also by Afghanistan's input and extensive commitments, announced by President Karzai in his opening speech, as he himself was leading the Afghan delegation.

The Berlin conference produced specific and measurable results that exceeded even optimistic expectations.

The documents that I am quoting from right now are available outside this Chamber for all interested members to review. The extensive final documents describe in detail the path ahead. The Berlin declaration, as the final communiqué of the conference, describes the vision of the future new Afghanistan; the work plan, drawn up by the Afghan Government, shows how Afghanistan wants to approach that vision in the coming two years, while the progress report endorsed by the United Nations Assistance Mission in Afghanistan (UNAMA) summarizes the

implementation status of the Bonn Agreement. Lastly, the Berlin Declaration on Counter-Narcotics is an agreement between Afghanistan and its neighbours, which is not only a major contribution to combating narcotics, but is also a further boost to viable regional cooperation after years of isolation of Afghanistan.

The Afghan Government has established a timetable for the next steps in the political transition process. President Karzai announced at the conference that parallel elections for the presidency as well as for the lower house of parliament will be held in September.

At the same time, the Afghanistan Government committed itself to an ambitious timetable for the disarmament of militias, as a significant condition for free and fair elections. In return, financing for the elections was largely secured through a separate pledging by the major donors. The Afghan Government presented a detailed programme of work — the so-called work plan — that contains mainly short-term, one- to two-year goals — for the institution-building and development processes that are concretely verifiable. This was Afghanistan's major political contribution to the conference.

The Berlin conference was also successful from the pledging perspective. The international donor community made pledges for Afghanistan totalling $8.2 billion for the next three years, the period ranging from 2004 to 2006, of which $4.4 billion is earmarked for the current Afghan fiscal year. Major pledges were announced, among many others, by the United States, the United Kingdom, Japan, Germany, the European Commission, India and Canada, to mention only a few.

The long-term investment programme put forth by the Afghan Government under the title "Securing Afghanistan's Future", which has calculated a need for $28 billion in foreign aid for a period of seven years, is thereby fully financed for Afghanistan's current fiscal year. As set out in the Berlin declaration, the further implementation of this investment programme will depend on achieving the objectives set by the Afghan Government itself. I fully agree with what Mr. Guéhenno has said, that the further needs should not be underestimated and that if we want to meet them, the continued commitment of the international donor community will be required.

Concerning the provision of security, all participants at the conference appreciated the role of the International Security Assistance Force (ISAF) and Operation Enduring Freedom. Both ISAF and Operation Enduring Freedom are ready to assist in securing the forthcoming elections. The prominent role played by NATO in Afghanistan was underlined by the participation of its Secretary-General at the conference. In the Berlin declaration, NATO has committed itself to the establishment of five additional provincial reconstruction teams (PRTs) by this summer and further PRTs thereafter.

The conference showed universal concern over the narcotics situation, which threatens to jeopardize all that has been achieved in Afghanistan since 2001. The re-entrenchment of narcotics production and trafficking and the involvement of warlords and terrorist structures are worrying. The Berlin Declaration on Counter-Narcotics, mediated by the United Kingdom as the lead nation for counter-narcotics and signed during the conference by Afghanistan and its seven neighbours, is an important advance in this context. The relevant parts of the work plan likewise underscore Afghanistan's determination to combat narcotics by all available means.

Last, but not least, a wide range of satellite events accompanied the conference, complementing it and rounding it off thematically. The German Foreign Office supported a conference with actors from Afghan civil society, which the Friedrich Ebert Foundation — a German think-tank — and Swiss Peace had arranged. An investors' conference was organized by the Federation of German Industries and attended by President Karzai. And a G-8 security working group meetings discussed the details of security sector reform on the basis of a comprehensive paper and of presentations by the five lead nations.

We are confident that the Berlin conference will be regarded as a milestone in the political and economic reconstruction of Afghanistan. And beyond that, we are convinced that the reaffirmation of a lasting partnership between Afghanistan and the international community reflects a promising model for a common endeavour of the international community in nation-building and in its fight against terrorism.

These remarkable results deserve an explicit acknowledgement and endorsement by the Security Council. To this end, my delegation initiated negotiations with Council members and with members of a core group of particularly interested States, with a

view to agreeing on the content of a presidential statement.

It is my understanding that such an agreement among experts has been reached and that we are going to adopt this presidential statement at the end of this public meeting. I would like to thank all partners for their cooperation during the preparations for the conference and in the course of the conference itself, as well as in the follow-up here in New York. Germany would like to specifically express its gratitude for the efforts by the other three co-chairs of the Berlin conference — the United Nations, the Government of Afghanistan and Japan.

I shall now resume my function as President of the Council.

Since there is no list of speakers for this meeting, I would like to invite Council members who wish to take the floor to do so, after having indicated to the secretariat, as from now, that they wish to speak. I shall now give the floor to those who have indicated their wish to speak.

Mr. Valle (Brazil): I would like to thank Under-Secretary-General Jean-Marie Guéhenno for his very informative update. My delegation is also grateful to you, Sir, for sharing with the members of the Council your views on the encouraging results of the Berlin international conference, held from 31 March to 1 April 2004. I take this opportunity to congratulate you, Ambassador Pleuger, for assuming the presidency of the Security Council during the month of April. In addition, I extend compliments to Ambassador Jean-Marc de la Sablière, for successfully conducting our work during the very cumbersome month of March.

Brazil commends Germany and Afghanistan, as co-sponsor countries, and also the other co-chairs for their work in creating a privileged opportunity to discuss the next steps in the effort of reconstruction. We are heartened by the remarkable results reached in Berlin. The pledged contributions of $8.2 billion over three years are a very positive sign of renewed commitment by the international community to Afghanistan. The amount of announced funds should prove to be decisive for the effort of rebuilding the country's economy and infrastructure.

The international community is being matched by the Transitional Authority's serious and tireless work. In this context, the importance of the work plan presented in Berlin by President Karzai cannot be overemphasized. It lays down a comprehensive set of objectives that will guide Government action in key areas, such as disarmament, demobilization and reintegration, combat against drugs, as well as voter registration.

The international community must do its best to support Mr. Karzai and his Government in implementing the plan. Brazil welcomes the announcement made by President Karzai to hold nationwide elections next September. Truly representative and credible elections in Afghanistan are essential for building a democratic, participative society. We believe that the work plan of the Afghan Government very rightly focuses not only on the holding of the elections, but also on issues such as security, free exercise of political rights, civic education and logistics, which are correctly perceived as fundamental for creating political and security conditions conducive to free and fair elections.

The expansion of peacekeeping forces throughout Afghanistan will bolster security in the country. Expansion on the ground is critical to halt deterioration of the overall situation and prevent the recurrence of recent violent incidents. Enhanced security is not only a requirement for the success of reconstruction efforts, but also a precondition for democratic, fair and peaceful elections in September. We welcome in particular the announced deployment of additional provincial reconstruction teams (PRTs), which will play a vital role in improving security and rebuilding infrastructure in the most distant regions of the country, as well as in ensuring the safe conduct of the electoral process. We expect that the new PRTs will soon be operative, providing help where it is most needed.

Afghan stability remains seriously threatened by activities related to the drug trade. The threat is aggravated by the illegal association of drug producers and traffickers to warlords and terrorists, all of whom contribute to undermine international efforts for stabilization. We note with satisfaction that the Afghan Government proposes integrated strategies to tackle this complex problem based on combating drug-related organized crime, the promotion of alternative livelihoods, the reduction of demand and the strengthening of the rule of law.

The Berlin counter-narcotics declaration marked the confirmation and strengthening of the agreement of

Afghanistan and its neighbours — China, Iran, Pakistan, Tajikistan, Turkmenistan and Uzbekistan — to work together in the fight against drug trafficking. We note in this context the convening of the conference on regional police cooperation, to be held in Doha next May. We expect that, with tighter border controls and improved information exchange provided by the renewed alliance, Afghanistan and its neighbouring countries will be better equipped to face the challenge of eliminating the illicit drug trade and production.

The Berlin conference was a very successful step forward. It reaffirmed the strong commitment of the international community to helping the Afghan people to rebuild their nation. We hope that, in the coming months, that extraordinary diplomatic achievement will be translated into the concrete improvement of the situation of that struggling nation.

The President: I thank the representative of Brazil for his kind words addressed to my delegation.

Mr. Cunningham (United States of America): Let me begin by thanking the German Government and the other organizers for hosting the Berlin conference on Afghanistan. It was, obviously, as we have heard today, a very successful event and succeeded in renewing the international community's commitment to the principles put forth in the Bonn Agreement. I want to join other colleagues in thanking you, Sir, and Mr. Guéhenno for your presentations this morning on the results.

The United Nations, the Afghan Government, the German Government and the donors are all to be congratulated on a Conference that raised significant financial contributions totalling $8.2 billion for the next three years, which will help us work to ensure — together with our Afghan friends — the future of a stable and democratic Afghanistan. We think that the international community's generosity in Berlin is a very hopeful sign for Afghans and for those in the international community who worry that interest is flagging and that donor fatigue is setting in. It is particularly noteworthy that the Afghan Government's needs for the coming fiscal year are fully covered and, also, that the Government of Afghanistan and its President played a full and important role in producing the results of Berlin. Those results show that there is a continuing resolve to pursue the partnership for the future that the organizers hoped to demonstrate.

We also note that the cost of election registration is now almost fully covered and that, on very short notice — indeed, on the spot — donors were able to raise $68 million towards the polling phase. We would urge the United Nations to work closely with the Afghan Government to identify ways to bring down the overall projected cost of polling, which is currently $135 million.

I thought I might say a brief word about security. United States and coalition forces are conducting reconstruction operations throughout Afghanistan and combat operations, as necessary, to target and destroy Taliban and Al Qaeda operatives in the region. Operations will continue in the region for the foreseeable future.

As a representative of the lead nation for the development of the Afghan National Army, I would like to update the Council on recent progress. As of early March, the Afghan National Army had a total operational strength of 7,600 troops, with another almost 1,700 troops in training, bringing the total force size to 9,300. Given that another 1,200 troops await training, we believe that we can reach the goal of a 10,000-member Afghan Army by the end of June. The growth rate in the past year has been strong — for example, the total force has been augmented by 4,600 troops in the last seven months — and attrition rates are also improving. During the period from November 2003 to February 2004, troop losses averaged just 2 to 3 per cent per month. Afghan Ministry of Defence leadership and ownership in the recruiting and retention process are producing positive results.

With regard to police, where we are co-lead nation with Germany, we are on track to reach the goal of having trained and equipped 20,000 police officers by June of this year. The United States portion of the programme has taken responsibility for building seven regional training centres for police, border police and highway patrol in seven key cities. This programme has already completed the rebuilding of the Kabul training facility, and other regional training centres in Gardez, Mazar-e-Sharif, Kandahar and Kunduz are operational and at their capacity of 1,000 students each. The training centre in Jalalabad just expanded capacity and two other training centres in Herat and Bamiyan are under construction.

The United States has now established nine provincial reconstruction teams of the 12 that are in the

country. Our objective in creating these teams is to enhance stability, extend the reach of the central Government and help facilitate reconstruction in the provinces. I would note that the provincial reconstruction team in Herat, following the recent murder of the Minister of Civil Aviation and Tourism, provided shelter to German officials and assisted in the deployment of the Afghan National Army. We have indications that the teams are increasingly popular, not only with the leadership of the Transitional Administration, but also with the Afghan citizens to whom they provide much-needed security and reconstruction. We, of course, join others in supporting calls for the establishment of additional such teams.

Mr. Wang Guangya (China) (*spoke in Chinese*): At the outset, I congratulate you, Sir, on your assumption of the presidency of the Security Council for this month. I also thank Ambassador De La Sablière and the French mission for their outstanding work during their presidency last month.

I thank Under-Secretary-General Guéhenno and you for your briefings on the Berlin conference on Afghanistan. The conference was undoubtedly very important and achieved highly significant and commendable results. The Berlin declaration and its annexes, adopted at the conference, embody the firm commitment of the Afghan transitional Government and the Afghan people to making their country into one of peace, stability and development. The declaration also solidified the commitment of the international community to supporting the reconstruction of Afghanistan and will surely have a very profound impact on the future of that country.

In the two years since the signing of the Bonn Agreement, the peace process in Afghanistan has made positive progress evident to all. The process is currently at a crucial stage. We welcome the intention of the transitional Government of Afghanistan to hold presidential and legislative elections this September. It is our hope that, through free and fair elections, a broad-based, representative Government capable of addressing all ethnic interests can be established. That will have a significant impact on the achievement of the goals set out in the Bonn Agreement.

We support the ongoing adoption by the Afghanistan Government of measures aimed at improving the security situation, accelerating security reform, promoting disarmament, demobilization and reintegration, and strengthening the legal system. We sincerely hope that all the ethnic groups and factions in Afghanistan can continue to give priority to the overall interests of the nation and to strengthening the unity and the joint efforts to build an attractive future for Afghanistan.

Peace and development cannot be achieved in Afghanistan without the support and help of the international community. We appreciate and support the important roles of the United Nations, the Special Representative of the Secretary-General and the United Nations Assistance Mission in Afghanistan. In order to promote the ongoing development of the Afghan peace process, and especially to ensure the successful conduct of general elections in Afghanistan, we believe that the international community should carry out the commitments it made at the Berlin conference as soon as possible. First, it should strengthen assistance to security in Afghanistan. In that context, we hope that the International Security Assistance Force can expand the scope of its deployment as soon as possible and establish new provincial reconstruction teams. Secondly, donors should earnestly and promptly provide the relevant economic and financial assistance. Thirdly, the international community should further support and cooperate with the counter-narcotics efforts the Afghan Government is making.

China, as a friendly neighbour of Afghanistan, has always supported and attached importance to the peace process in Afghanistan. In 2002, the Chinese Government pledged $150 million in assistance to Afghanistan over 5 years. So far, $47 million has been provided. At the Berlin conference, Foreign Minister Li Zhaoxing announced that China would provide $15 million in assistance to Afghanistan this year, provide $1 million in emergency material assistance for the Afghan general elections and cancel all loans to the Afghan Government that are now due. China would like to cooperate with Afghanistan in the fields of infrastructure, trade, investment, human resources and police training. At the conference, China, along with six other countries of our region, signed the Berlin Declaration on Counter-Narcotics, within the framework of the Kabul Declaration on Good-neighbourly Relations.

China will join the international community in the ongoing active efforts to achieve long-term order and stability in Afghanistan.

The President: I thank the representative of China for the kind words he addressed to my delegation and my Government.

Mr. Akram (Pakistan): I would like to take this opportunity to congratulate you, Sir, on Germany's assumption of the presidency of the Security Council for the current month, a month in which we will consider issues of vital importance to the international community. We would also like to express our high appreciation to Ambassador De La Sablière and the French delegation for the exemplary manner in which France conducted the presidency of the Council last month.

As we consider the results of the Berlin conference, we would first like to thank Under-Secretary-General Guéhenno for his very comprehensive, cogent and persuasive briefing to the Council this morning. We would also like to thank the German Government for hosting last week's conference, together with Afghanistan, Japan and the United Nations. Your own statement to the Council, Sir, has outlined the major achievements at Berlin. The Foreign Minister of Pakistan participated actively in the Berlin conference, and we are most satisfied with its outcome.

Pakistan has an abiding interest in the early return of peace and stability in Afghanistan. We are linked to Afghanistan by history, geography and faith, and we believe that we share a common destiny. We therefore fully subscribe to the aspirations of the Afghan Government and President Karzai for peace, stability and prosperity in Afghanistan and its neighbourhood.

The Berlin conference reaffirmed the commitment of participants to rebuilding and reforming the political, social and economic structures of Afghanistan, with the aim of creating lasting peace, stability and economic development and with a view to offering all Afghans, in an equitable manner, tangible prospects for a brighter future. The process that was initiated at Bonn will now continue beyond the present transition process in Afghanistan through to a lasting partnership between Afghanistan and the international community.

While security is ultimately the responsibility of the Afghans themselves, it cannot be achieved in the immediate future without the active military and political support of the international community. We therefore endorse the commitment in the Berlin declaration to the continuation of international military assistance until such time as the new Afghan security forces are sufficiently constituted and operational. We are also pleased with the decision by NATO, as mentioned in the Berlin declaration, to expand the mission of the International Security Assistance Force (ISAF) by establishing additional provincial reconstruction teams. We endorse providing additional such teams. However, we continue to encourage a larger presence of, and direct role for, ISAF in Afghanistan's security.

The Berlin declaration also stresses the need vigorously to implement the disarmament, demobilization and reintegration (DDR) programme, with the completion of its first phase by the end of June 2004. The work plan of the Afghan Government, endorsed by the Berlin conference, also provides the concrete steps that the Afghan Government will have to take not only with respect to DDR but also in terms of reforms in the Afghan national army and police and reforms in the Ministry of the Interior, the Ministry of Defence and the National Directorate for Security that ensure national representation. Along with progress in extending the authority of the Afghan central Government, these are measures which deserve the continued involvement and support of the international community.

The Berlin declaration identifies drug production and trafficking as a serious threat to the rule of law and development in Afghanistan as well as to international security. The conference endorsed the concrete steps that the Afghan Government plans to take as part of its work plan for implementing its national drug control strategy. We also attach importance to the comprehensive Declaration on Counter-Narcotics signed in Berlin by Afghanistan and its six immediate neighbours. As one of the signatories, Pakistan looks forward to working with our partners to strengthen our collective efforts to control the drug menace. The drug problem in Afghanistan is not only an Afghan problem; it affects us all. It is therefore imperative that the Afghans and the international community — in the words of the Berlin declaration — "do everything — including the development of economic alternatives — to reduce and eventually eliminate this threat".

Pakistan has welcomed the decision by President Karzai to hold presidential and parliamentary elections in September this year. In its work plan the Afghan Government has welcomed the support of the

Governments of Pakistan and Iran to allow the participation of refugees in their countries in the elections. Pakistan has allocated $5 million for that purpose and is extending full cooperation to the Afghan authorities and the United Nations Assistance Mission in Afghanistan in this regard. We hope that the registration of voters will accurately reflect the ethnic and regional balance of Afghanistan's population and its ethnic mosaic. That is essential to the legitimacy and credibility of the entire election process.

Peace will not come to Afghanistan without development. This must remain the focus of the international community. We welcome the pledges made at Berlin for $8.2 billion in reconstruction assistance to Afghanistan over a three-year period. Afghanistan is a landlocked country, but it can also emerge as a transit route linking South Asia and Central Asia. It is therefore essential for Afghanistan's economic recovery and development to integrate this country with its two neighbouring regions. In that regard, we encourage the international community to support the construction of roads, as well as gas and oil pipelines and other trade links connecting Afghanistan with those two regions. Regional economic integration would mutually benefit Afghanistan and all its neighbours.

Pakistan has always supported, and continues to support and participate in, President Karzai's endeavour to build State institutions, which are an essential prerequisite for the success of the political and reconstruction processes in Afghanistan. Our participation in Berlin has been a strong testament to that commitment. We strongly urge the international community to continue to provide the necessary assistance to help the Afghan Government meet its goals, especially those outlined in its work plan.

Finally, we hope that the spirit of Berlin does not flag or diminish over time. Afghanistan will need years, if not decades, of political and economic support and engagement. Berlin is only the beginning of the post-Bonn process of the international community's commitment to Afghanistan. We who represent the international community here must now redouble our collective efforts and remain committed to peace, stability, reconstruction and development in Afghanistan in the long term.

The President: I thank the representative of Pakistan for the kind words he addressed to my delegation and to my Government.

Mr. Muñoz (Chile) (*spoke in Spanish*): Sir, we are delighted to see you presiding over the Security Council this month. We are certain that, under your competent leadership, our work will be productive. We wish also to acknowledge the outstanding work done by Ambassador de la Sablière and his team in the context of France's presidency during the past month, which was very busy.

We wish also to thank Mr. Jean-Marie Guéhenno, Under-Secretary-General for Peacekeeping Operations, for his briefing. We thank you, too, Sir, for your briefing, which has made clear to us the main aspects of the Berlin conference for Afghanistan. We believe that the contents and the work plan of the Berlin declaration are clear guidelines for the reconstruction of an Afghanistan that is free, secure, stable, democratic and — we hope — prosperous.

We want to underscore the commitment of donors to provide $8.2 billion over the next three years, which will undoubtedly be vital in the context of efforts aimed at reconstruction and development in that country.

We value also NATO's commitment to expand the International Security Assistance Force through five provincial reconstruction teams, which will be deployed in various areas of Afghanistan in the coming months.

We know how critical the question of security is to the future of Afghanistan. We believe, therefore, that the participation of the countries of the region in the framework of the Kabul Declaration on Good-Neighbourly Relations of 22 December 2002, and in particular of the annexed Declaration on Counter-Narcotics, and the Doha Conference on Regional Police Cooperation represent a clear commitment to continue to strengthen regional cooperation.

We welcome the announcement of the holding of direct presidential and parliamentary elections in September of this year. As we said in the context of the most recent consultations of the Security Council, it is clear that a great deal remains to be done and that it is absolutely essential that there be a national electoral registration campaign, currently scheduled for May. We believe that the elections will represent a milestone in

the restoration of harmony and unity throughout the country.

In that context, we support the Afghan Government's work plan aimed at the success of the electoral process, the demobilization of at least 20 per cent of armed groups and the cantonment of weapons. The plan aims to ensure that the process continues to make progress beyond the forthcoming elections. We also agree that it is necessary to have the support of NATO and the Coalition in connection with security, with particular support for the work of the Afghan National Police and the Afghan National Army, on the basis of ethnic balance and respect for the rule of law.

We wish in particular to emphasize the determination expressed by the Afghan Government to continue to make progress in the implementation of its political programmes, in particular in the field of good governance and public administration, with a clear emphasis on anti-corruption policies; reform of the fiscal system; the promotion of private-sector participation; economic and social development, with special emphasis on overcoming poverty; the strengthening of the rule of law; and the promotion and protection of human rights.

We agree that an environment of security is essential to achieve progress in the areas of economic growth, political normalization, reconstruction and development. We believe also that drug production and trafficking poses a serious threat to the development and stability of Afghanistan. We agree that the Council must continue to support actions plans in this regard. We therefore support the contents of the Berlin Declaration on Counter-Narcotics.

Lastly, we support the presidential statement agreed upon by consensus by Council members, which, we hope, will be adopted at the conclusion of this meeting, as a sign of support for the political process in Afghanistan.

The President: I thank the representative of Chile for the kind words he addressed to me and to my Government.

Mr. Baali (Algeria): Allow me at the outset, Sir, to tell you how pleased I am to see you presiding over the Security Council and to express our gratitude to Ambassador Jean-Marc de La Sablière and his team, whose work deserves recognition by the Council. Let me also thank Mr. Jean-Marie Guéhenno for his clear and comprehensive briefing and to thank you also, Sir, for the useful information you shared with us on the outcome of the Berlin conference. I wish also, through you, to commend the German Government and the Afghan Government as well as other sponsors of that conference, which from every standpoint, was a clear success.

The process established under the Bonn Agreement will be completed with the holding in September of the first free and democratic presidential and parliamentary elections in Afghanistan. But there are many challenges to be met, in particular insecurity, which continues to prevail in certain regions of the country, and the increased production and trafficking of drugs, which poses a serious threat not only to respect to the rule of law in Afghanistan but also for the very development of that country.

The progress that has been made since the first Bonn Conference in December 2001 is nonetheless considerable. More than 3 million refugees have returned home, more than 4 million children have returned to school, women are returning to work, and a new Constitution was adopted earlier this year which provides in particular for gender equality.

The international conference on Afghanistan — whose outcome, declaration and work plan my country supports — has made it possible to assess the progress made, in the context of the political process that began in 2001, following the adoption of a new Constitution in January, and has provided a new opportunity for the international community to reiterate its commitment to the reconstruction of Afghanistan. It has also allowed us to identify the necessary benchmarks for the international community's efforts by taking into account the current situation in Afghanistan in order to ensure its stabilization and its recovery.

The announcement of the additional pledges made by donors and the confirmation of contributions in the areas of security and of preparations for elections are vital for the reconstruction of Afghanistan.

In this respect, we welcome Afghanistan's commitment to the implementation of a work plan aimed at establishing a State based on the rule of law that could operate autonomously through established democratic institutions. In this context, we also welcome the deployment of new Provincial Reconstruction Teams — the usefulness and importance of such teams has been fully

demonstrated — as well as the commitment of the President of Afghanistan to conclude the disarmament, demobilization and reintegration process. The importance of that process is crucial for the holding of future elections.

The Afghan people and its leaders must work together to strengthen democratic institutions and to prepare for national elections. The commitment and constructive support of States neighbouring Afghanistan are also key factors in terms of the recovery of the country and of regional stability. Afghanistan will have to deal with a number of challenges in the future, and we hope that the assistance that has been pledged will be forthcoming so that security needs can be met and the recovery and reconstruction of the country can be ensured.

In this context, it is essential that the international commitment is strengthened, particularly in terms of security, including by deploying an international force throughout the country. Afghanistan more than ever needs the support of the international community.

In conclusion, we fully support the draft presidential statement, which reaffirms the commitment of the international community to the Afghan people.

The President: I thank the representative of Algeria for his kind words addressed to me, my delegation and my Government.

Mr. Motoc (Romania): I warmly welcome you, Sir, and congratulate you and your country, Germany, on your assumption of the presidency. I also pay tribute to Ambassador de La Sablière and his team for the outstanding performance of their duties during France's presidency in the month of March.

I would like to join other delegations in thanking Under-Secretary-General Jean-Marie Guéhenno for his excellent opening briefing.

I would like to convey my gratitude and congratulations to the German Government for having organized, with dedication and great professionalism, the Berlin conference on Afghanistan. Our thanks also go to the co-Chairs of the meeting: the high-level representatives of Afghanistan, Japan and the United Nations.

Romania aligns itself with the statement to be made later by the Permanent Representative of Ireland on behalf of the European Union. I would also like to make a few specific comments.

Let me begin by hailing the successful outcome of the Berlin conference. In Berlin, as, previously, in Bonn and Tokyo, the international community conveyed a strong message of commitment to and solidarity with a valued friend, Afghanistan. In Berlin, Afghanistan made clear its interest, ability and commitment to continue and successfully to complete its transition towards prosperity, stability and democracy.

The conference took place at a significant moment — only a few months before presidential and parliamentary elections. It was successful in providing a vision and an agenda for the future. It tailored a solid political, security and reconstruction framework to the expectations of the Afghan people.

Romania welcomes in particular the work plan adopted by the Afghan Government. The concrete steps envisaged in that respect should be regarded as part of a wider strategy of overall reform for Afghan society. If it is to be successful, the implementation of the work plan should evolve gradually into a useful, practical tool for the Afghan administration. We strongly encourage the Afghan authorities to closely monitor the implementation of the objectives and the observance of the deadlines that have been set. In this way, coordination among national institutions will be enhanced, self-assessment capabilities improved and the ability to match aspirations and resources increased.

With regard to drug trafficking in Afghanistan, Romania has stated repeatedly that counter-narcotics efforts at the national level should be accompanied by coordinated actions undertaken at the regional and even the global levels. The adoption by Afghanistan and its neighbours of the Declaration on Counter-Narcotics is therefore highly commendable.

Translating the Berlin declaration into tangible results requires not only steady political commitment but, equally, substantial financial support. In this context, we welcome the significant multi-year financial contributions pledged by international donors in Berlin.

It was with great pride that Romanian Foreign Minister, Mr. Mircea Geoana, reiterated, in Berlin,

Romania's commitment to a long-term, solid and multi-dimensional contribution to Afghanistan.

We are committed to the success of the NATO mission in Afghanistan. In our view, improving security remains the key prerequisite for the benchmarks ahead, including the conduct of free, fair and credible elections in September.

Romania will continue to demonstrate its commitment and cooperate with all the States participating in the reconstruction process of Afghanistan in order to reach the common goal of security and stability.

Additional military personnel will be deployed in Afghanistan as part of the reinforcement of our participation in the International Security Assistance Force. Romania will participate, starting this summer, with representatives in the Kunduz Provincial Reconstruction Team. We will continue to actively consider taking part in additional Provincial Reconstruction Teams. At the same time, Romania will continue contributing to the capacity-building of the national armed forces of Afghanistan.

In Berlin, Romania also stated its readiness to invest in the soft side of reconstruction — in areas capable of making a difference on the ground, such as institutional reconstruction, education, health and agriculture. Recently, Romania hosted an Afghan delegation in order to explore jointly additional means and areas of assistance and cooperation. We are determined to assist the Afghan authorities, together with other countries, in a matter of great concern — namely, fighting drug production and trafficking. To this effect, we are considering a pilot project aimed at providing Afghan farmers with alternative crops to the poppy fields.

Let me conclude by pointing out Romania's confidence in Afghanistan's future. The people and Government of Afghanistan must be proud of what they have accomplished so far. They should confidently look forward to the moment when their country will assume its rightful place among free, prosperous and democratic nations. The Berlin conference has succeeded in bringing that moment closer.

The President: I thank the representative of Romania for his kind words addressed to my delegation and my Government.

Ms. Menéndez (Spain)(*spoke in Spanish*): I should like to congratulate you, Sir, on your assumption of the presidency of the Council. I should also like to congratulate France for its work last month.

We are grateful to Mr. Guéhenno for his briefing and to you, Sir, for your briefing on the outcome of the Berlin conference.

Spain fully supports the statement to be made later by Ambassador Ryan on behalf of the European Union.

The conference that was held last week in Berlin helped us to assess the many achievements made since the Bonn conference and to prepare, together, for the major challenges ahead for Afghanistan. These include the holding of presidential and legislative elections next September; making the entire country secure by ending terrorism, factionalism in the provinces and the acts of violent opposition groups; ensuring the development and completion of the disarmament, demobilization and reintegration process; combating drug production and trafficking; the development of the rule of law and of human rights; the reconstruction and rehabilitation of the country; and the strengthening of cooperation with neighbouring States.

Spain is prepared to cooperate and to fulfil its commitments within the European Union and the International Security Assistance Force (ISAF). In this regard, Spain will soon be approximately doubling its contribution to ISAF through Euro Corps.

Finally, I wish to associate myself with previous speakers to indicate that we support the statement the President will be reading at the conclusion of this meeting.

Mr. Baja (Philippines): We join other members of the Council in congratulating you, Mr. President, and Germany on your assumption of the presidency this month, and Ambassador De La Sablière and France on its highly successful presidency last month. I also wish to thank Under-Secretary Guéhenno and you, Mr. President, for briefing us on the results of the Berlin conference and on the steps ahead for Afghanistan's future.

In January, the Philippines supported the idea proposed by you, Mr. President, to regenerate the political and financial support necessary to further the political and economic transition of Afghanistan as envisaged by the Bonn process. We now welcome the

fruits of the Berlin conference, which generated renewed commitment on the part of the international community to assist in the recovery and the development of Afghanistan. That conference was indeed an opportune time to regenerate the process. In that regard, we fully support the presidential statement endorsing the Berlin declaration.

We are all aware not only of the significant strides that the Government of President Karzai and the Afghan people have made to achieve the goal of a democratic, stable and functioning multi-ethnic society, but also of the challenges that have to be overcome to achieve that goal.

The political process in Afghanistan is well on its way to significant development. The world commended the political maturity exhibited by the Constitutional Loya Jirga in adopting the Constitution, which lays the foundation for a democratically elected Government and parliament. The lynchpin for the establishment of a democratically elected Government will be the presidential and parliamentary elections to be held this September, as announced by President Karzai.

A credible, fully participatory election process will be critical to the full recognition of the Government that will be installed. Thus it is crucial that a robust security presence within both the registration and the election processes is assured. The necessary security could be provided by strengthening the Afghan army and police forces. We note in that regard the progress report that the United States provided us this morning. That may not be sufficient, however. The establishment of more provincial reconstruction teams (PRTs) in critical areas controlled by warlords and the expansion of the operations of the International Security Assistance Force (ISAF) outside Kabul and other major cities will be important. The practice of sending soldiers to stay in villages and towns could give them a deeper understanding of the local people, and eventually they might win the cooperation of local warlords and villagers.

A sizeable part of the political challenge would be overcome if security of the electoral process could be assured. A fully representative Government installed through a credible democratic process would go a long way in the effective governance of the entire country in the future.

My delegation believes that full implementation of the disarmament, demobilization and reintegration (DDR) programme scheduled to be completed before the elections in September would contribute considerably to the security and credibility of the elections. Given the factional power in Afghanistan, greater effort to deal with local disputes must be exerted, as those local disputes produce an environment of insecurity that undermines the Afghanistan Transitional Administration in Kabul and weakens the central Government. Local dispute resolution mechanisms must be developed and community-based reconciliation must be promoted.

Another factor destabilizing the political process is the serious problem of extensive poppy cultivation and all its consequences in drug production and drug trade. We welcome the steps being undertaken by Afghanistan together with its neighbours, as incorporated in the recent declaration to fight drugs, and the assistance being extended by other countries to develop viable economic alternatives to poppy cultivation. The International Monetary Fund says that at least 40 per cent of the economy of Afghanistan is illicit. Without an economy to provide legal income, eradicating the sole livelihood further undermines Afghanistan's political and economic future. Thus we share Pakistan's view on the need for Afghanistan to integrate its economy into the economies of the neighbouring subregions.

The international community, through the United Nations, has been a consistent partner of the Transitional Government of President Karzai in facing challenges throughout the implementation of the Bonn process. The Berlin conference furthers that partnership. The readiness with which the international community responded in Berlin is indeed an encouraging sign that the international community is not wavering in its support for Afghanistan. For its part, the Philippines remains committed to assist Afghanistan in its reconstruction efforts through training the Afghan people in health care, securing potable water and sanitation, agriculture and irrigation and civil and transport engineering.

The journey of reconstruction and development of Afghanistan is like a bicycle ride: you must pedal, otherwise you fall. After the Berlin conference, with the sustained help of the international community, Afghans themselves must pedal through their own political and economic recovery. National ownership of the process remains a crucial element of any political and economic reconstruction.

The President: I thank the representative of the Philippines for his kind words addressed to my delegation and Government.

Mr. Adechi (Benin) (*spoke in French*): I wish to express our satisfaction at seeing you, Sir, presiding over the work of the Council for the month of April and to take this opportunity to express our appreciation to Ambassador De La Sablière and his team for the remarkable work accomplished by the Council presidency in the month of March.

I also wish to thank you, Sir, for the very useful information you have just provided us on the very encouraging results of the Berlin international conference on Afghanistan. We have also listened closely to Mr. Guéhenno's briefing, and we are grateful to him for it.

The ongoing laudable efforts of the new political Afghan leadership undertaken since 2001 to ensure vigorous implementation of the Bonn Agreement deserve the international community's support. The positive results emerging from the Berlin conference are a tribute to Germany, the United Nations and many donor countries. We particularly welcome the multiyear nature of the pledges made by the donor countries on that occasion, which will make it possible to sustain the momentum of the excellent progress under way in Afghanistan.

We are convinced that the Transitional Afghan Government, which we congratulate for its honourable efforts, will find, in soliciting the international community, genuine encouragement to restore stability and promote sustainable development in Afghanistan.

We commend the work plan endorsed at the conference, which establishes a clear perspective on channelling energy and creating the synergy necessary to maximize the impact of diverse support that will benefit Afghanistan. That plan has opened a long-term field of work that requires momentum sustained by consistent and coordinated follow-up action.

President Karzai's decision to hold presidential and parliamentary elections in September, instead of June, 2004 is a responsible choice. We welcome it, and we urge the international community to support preparation of that electoral process and to help create the necessary transparent security conditions to confer the requisite credibility on the electoral process. The Afghan Government therefore has a major responsibility in terms of disarming armed groups to substantially improve the security situation. The issue of disarmament is a prerequisite that must be addressed in order to hold credible elections accepted by all and to ensure the survival of the democratic political process. The fight against drugs, we believe, is a key challenge to be met to ensure the full reintegration of Afghanistan in the family of nations. That reintegration will not take place if the country's economy continues to be dominated by drug cultivation and trafficking, on which organized crime thrives. That is why we believe that the Transitional Government is correct in making a priority of its action and in putting its efforts into cooperation with neighbouring countries.

We support the draft presidential statement, introduced by Germany, and we are ready to work with all stakeholders to assist the Afghan people in continuing to pursue its path towards progress and stability.

The President: I thank the representative of Benin for the kind words addressed to my delegation and my Government.

Mr. Konuzin (Russian Federation)(*spoke in Russian*): We are pleased to see you, Sir, chairing the Council in April and are grateful to your predecessor, Ambassador De la Sablière of France, for his successful guidance of our work last month. My delegation joins in the statements of gratitude made by other delegations to Under-Secretary-General Jean-Marie Guéhenno, and to you, Sir, for the detailed briefing you provided on the outcome of the Berlin conference. We are grateful to the German Government for its tremendous contribution to that undertaking.

The Russian Federation welcomes the outcome of the international conference on Afghanistan, including the final declaration adopted by it. We believe that that conference was an important and timely step. Russia had consistently advocated convening the conference because it believed that it was necessary to appraise implementation of the Bonn road map and to agree upon further steps by the international community to reaffirm its policy to rebuild Afghanistan, under United Nations auspices, as a peaceful, independent and neutral State, living in harmony with its neighbours and the rest of the world. In our view, the Berlin conference has fulfilled that aim.

At the same time, despite the outright successes that have been achieved in the peaceful rebuilding of

Afghanistan, in consolidating central authority and in reforming the security sector, there continues to be serious concern with respect to a number of domestic and external threats. Russia is concerned with the growing subversive activities of the Taliban and other extremist forces. Clearly, these forces are seeking to plunge the country into bloody inter-ethnic enmity and to prevent the holding of the forthcoming general elections in the country. We also observe that former Taliban officials are seeking to make their way into the Government in order to undermine the basis of the new Afghan nationhood from within.

Serious concern is also posed to neighbouring States by the threat of extremist elements entrenched in Afghanistan. The recent tragic events in Uzbekistan reaffirm that success in fighting extremism and terrorism is possible only on the basis of a unified anti-terrorist coalition that needs to be universal in scope. There is an additional threat that is related to drugs, since drug trafficking in particular provides the financial underpinning for anti-Government forces and remnants of terrorist organizations. We support the range of measures being undertaken by the Afghan Transitional Administration, within the framework of its national programme, aimed at destroying opium and poppy crops and the infrastructure for the production of heroin.

At the same time, it can be observed that the drug flows from Afghanistan are rising. We have seen that drug couriers are using Russian territory as a transit corridor, primarily into the European States. There is growing trafficking of Afghan drugs within the country as well. That is why we believe that it is necessary to take additional effective measures, to closeoff routes for illegal distribution of drugs from Afghanistan to neighbouring countries and to establish reliable security belts along the Afghan border.

That kind of approach has been set forth in the Declaration on Counter-Narcotics, adopted in Berlin by Afghanistan and its neighbours. It is in keeping with previous decisions of the Security Council. It needs to be implemented in practice with the participation of the Afghans themselves, neighbouring States, the International Security Assistance Force, coalition forces and United Nations specialized agencies.

At the Tokyo donor conference, Russia did not make specific pledges. In the period that has just elapsed, we provided to Afghanistan assistance totalling approximately $170 million. We are prepared to increase such assistance once there has been a settlement to the problem of the Afghan debt. Russia is seeking to resolve this problem under most favourable terms for Afghanistan. That would pave the way to converting the restructured debt into investments and would also create the conditions for direct economic assistance and for funding joint Russian-Afghan projects out of Russia's budget.

We anticipate that once simultaneous presidential and parliamentary elections have been held in Afghanistan an effective Government, one that will bring closure to this transition phase, will have been created. Clearly, this will pose new challenges to the United Nations and to the United Nations Assistance Mission in Afghanistan. We stand ready to consider proposals from the Secretary-General in this regard and anticipate that the Afghan leadership will continue to pursue its policy of close cooperation with the international community.

We support the draft statement proposed by experts for the Security Council presidential statement on the outcome of this meeting.

The President: I thank the representative of the Russian Federation for his kind words addressed to my delegation and my Government.

Mr. Thomson (United Kingdom): A welcome to you in the chair, Mr. President, and our thanks to the French delegation for their services in the presidency last month. We are also grateful to Under-Secretary-General Guéhenno for another good briefing.

Ambassador Ryan will shortly be making a statement on behalf of the European Union, as the Irish presidency and we fully subscribe to it. Many good points have already been made this morning. I would therefore like to address only a limited number of points — three in fact: the outcome of the Berlin conference, security and drugs.

Many others have expressed their gratitude to your Government, Mr. President, for their organization and leadership of the Berlin conference and I would like to associate the United Kingdom with those expressions. It was a conference that successfully reaffirmed the international community's commitment to Afghanistan at a moment when this was needed. We welcome the announcement of elections in September

and the challenging targets set by the Berlin work plan on disarmament, demobilization and reintegration.

The Conference also sent a needed message of renewed commitment for reconstruction. The money pledged over the next three years is substantial. The money pledged for elections is important, but, as Mr. Guéhenno has reminded us, not yet sufficient.

For my Government's part, we have raised our Tokyo pledge from £200 million to £500 million — roughly $900 million — over five years. We have contributed £10.5 million — roughly $19 million — to UNAMA's preparations for elections. This represents a substantial portion of the $68 million so far pledged. We have also contributed some £70 million — roughly $125 million — over three years towards counter-narcotics and £52 million — roughly $95 million — over three years towards security sector reform. Clearly, what others can do in further contributions will be welcome.

Money is not the whole story, however. The real challenge now is implementation using that money. Disarmament, demobilization and reintegration need to happen before the election and to get going quickly. As Mr. Guéhenno has reminded us, security remains critical for continued progress. The International Security Assistance Force (ISAF) and the provincial reconstruction teams do need to be properly resourced and we need to encourage partners to continue to look at ways of contributing to the security effort, whether through the provincial reconstruction teams or through troop contributions to ISAF.

In addition to the provincial reconstruction team that the United Kingdom leads in Mazar-e-Sharif, my Government has offered to lead a second provincial reconstruction team at Meymaneh and to establish the forward support base for ISAF's expansion to the North of the country.

Lastly, I wish to say a word on the picture on drugs. Clearly, successfully tackling the drugs issue is also going to be critical to Afghanistan's future. It is going to take a long-term, sustainable approach and it is going to require others to get more involved. The United Kingdom, as lead nation, very much welcomes the endorsement by the Berlin conference of the Afghan-led national drug-control strategy and the action plans stemming from the February international counter-narcotics conference. Like all other speakers, I think, we, of course, also welcome the signing by Afghanistan and its neighbours of the Berlin declaration on counter-narcotics. Afghans, with the United Kingdom, the United Nations Office on Drugs and Crime and other international assistance, are now focusing on implementation of the strategy. Our top priority is to urge donors to commit to specific activity within the action plans.

Like others, we also support and welcome the presidential statement to be delivered at the end of this meeting.

The President: I thank the representative of the United Kingdom for his kind words addressed to my delegation and my Government.

Mr. De La Sablière (France) (*spoke in French*): I should like to begin by thanking all those who have addressed kind words to me and the French delegation.

I also wish to thank Mr. Jean-Marie Guéhenno for his briefing, to which we listened with great interest. My delegation associates itself with the statement to be made by the presidency of the European Union.

I wish to congratulate you, Sir, on your assumption of the presidency of the Security Council and to convey our appreciation for the role played by Germany in providing support for Afghanistan. The Berlin conference was a success which we welcome. I believe that this is an important moment, because the conference demonstrated the readiness of the international community to help the Afghan people over the long term. It was an important moment, too, because of the announcement of the dates for presidential and legislative elections. My country welcomes that development and hopes that the simultaneous elections will promote the essential political dynamic. This is also an important time because of the commitment undertaken by the Afghan authorities to undertaking reform. We pay tribute to the work of President Karzai in that regard.

It was also an important occasion because of the work done at the margins of the conference, in particular the agreement — mentioned by all delegations and by you, Sir — to increase cooperation between Afghanistan and its neighbours in the anti-narcotics campaign. Not only Afghanistan and the region, but the countries of Europe as well, are threatened by poppy cultivation. We must lay the foundations for a sustainable economy in Afghanistan by finding alternatives to opium production and we

must take the appropriate path to ensure Afghanistan's economic future.

We must now focus all our efforts on the common political objective and priority of the proper conduct of elections. I share the view of Mr. Guéhenno, who in that context stressed the importance of security issues. In that regard, France will strengthen its own commitment to making the country safe and will continue, together with the United States and other partners, to assist in the establishment of a stable and multi-ethnic Afghan National Army. Following the training of three battalions, we are now completing the training of more than 600 army officers, after which we will initiate the training of instructors for the future military academy in Kabul. Furthermore, in addition to our contingent of 550 troops, we will increase our commitment to the International Security Assistance Force by assuming, together with Eurocorps, the command of that broadened force this summer. We will also continue actively to participate in Operation Enduring Freedom for the dismantling of the last Taliban networks, which are keeping Afghanistan in a state of fragility.

Still in the context of preparations for the elections, we fully support the statement of Jean-Marie Guéhenno on the importance of disarmament, demobilization and reintegration, which to a great extent will depend, of course, on the commitment of the Afghan Government. I would add that, in connection with the elections, efforts to enhance the organization of those elections are important. In addition to its overall effort in 2004, France will provide additional assistance to the electoral process and will, inter alia, be responsible for the initial training of members of the electoral commission and contribute support for physical education. This effort is essential, as this is an opportunity for the electorate to take its destiny in hand and to build its own future. We hope that the elections will also prove to be an opportunity for considerable participation, including by Afghan women.

At a time when the international community wishes to express its resolve to help Afghanistan over the long term, I believe that it is appropriate to emphasize the quality of the work being done by the United Nations in that country. We express our fullest support for the new Special Representative of the Secretary-General for Afghanistan, Mr. Jean Arnault.

In Afghanistan, the international community has acted in various complex modalities, but with good coordination and affirmation of Afghan sovereignty, which are essential. The United Nations is the locus of coordination where political orientation is established, which the various actors then implement on the ground.

In conclusion, I wish to pay tribute to the Afghan people, who have demonstrated their pride and dignity in exercising their recovered sovereignty. They have shown their sense of responsibility and their will to lead the Afghan nation along the path to peace. We, the international community, want to assure the Afghan people that we will remain at their side because it is together that we will succeed. I think that is the main message of the Berlin conference.

The President: I thank the representative of France for the kind words he addressed to my delegation and my Government.

Mr. Gaspar Martins (Angola): I would like to start by congratulating you, Sir, on your assumption of the presidency and by reiterating our full confidence in the leadership you will continue to provide to our Council during the month of April. I would also like to commend Ambassador De La Sablière for the very able manner in which he presided over the work of the Council during the month of March a very busy but successful month. Let me express my gratitude to Under-Secretary-General Guéhenno for the substantive briefing he has provided to the Council and to you, Sir, for giving the Council a fuller account of the Berlin conference.

The rebuilding of a nation — any nation devastated and traumatized by a long war — is surely a very slow and complex process. It is only possible through strengthening international assistance, which is as an essential component of the process. We in Angola fully understand that. That is why we commend Germany and the other organizers for the successful outcome of the Berlin conference, which was, indeed, a remarkable step forward and a great opportunity for the international community to reaffirm its commitment to the development of Afghanistan, its political future, security and the consolidation of national reconciliation. We join previous speakers in extending our delegation's full support to the outcome of the Berlin conference, especially the multi-year commitments made and the $8.2 billion that was pledged at the conference.

Since the Tokyo conference, the leadership and ownership of the reconstruction process have been progressively taken over by the Afghan authorities. My delegation welcomes that development, as it is essential for the sustainability of the entire process. Afghanistan has reached a crucial stage in the implementation of the Bonn process. By adopting the new Constitution, Afghans have laid the foundations for a State based on the rule of law and a just and lasting process of national reconciliation.

Afghan authorities have announced the holding of elections in September. We are pleased that the date of the elections has been set, and we welcome the readiness of the International Security Assistance Force (ISAF) to assist in ensuring the conduct of the elections. On the other hand, we consider that further commitment by the international community is indispensable for the achievement of such an important goal.

However, despite impressive progress, much remains to be done in the political reconstruction and rehabilitation process of Afghanistan. As Mr. Guéhenno has reiterated before the Council, the security situation has been comprehensively analysed in the Security Council. The main factors contributing to the deterioration of Afghanistan security have been identified. In that connection, we stress the importance of Security Council resolution 1510 (2003) and NATO's commitment to expand ISAF's mission by establishing additional provincial reconstruction teams by the summer of 2004.

If the national State is to function effectively, it is essential that the central Government's authority is extended throughout the entire country. The presence of such forces, together with the national army, instils confidence among the local communities and provides support to the legitimate organs of the State. This is an essential requirement for providing stability throughout the country and for ensuring that an effective disarmament and demobilization process takes place. We are pleased that the international community has focused considerable attention on disarmament, demobilization and reintegration programmes. They are complex and require considerable financial resources.

The serious threat posed by the resurgence of extremist forces, including the Taliban, is another ongoing danger. This is a problem that we still need to deal with, along with the increased production and trafficking of illegal narcotics. The tasks before the Afghan Transitional Government and the international community — especially those countries more directly involved in countering drug trafficking — are enormous. They require immediate action to prevent poppy production from expanding and drug-related organized crime from taking root. In addition, those tasks require a long-term commitment to strengthening the rule of law and promoting livelihoods that provide an alternative to drugs. My delegation welcomes the Council's adoption of the counter-narcotics strategy, which has just been announced.

To conclude, I take this opportunity to commend once again the Special Representative of the Secretary-General for Afghanistan, Mr. Jean Arnault, as well as the personnel of the United Nations Assistance Mission in Afghanistan, for their ongoing efforts to achieve peace and stability in Afghanistan, and in particular for the role they have played in the constitutional and electoral processes. We are convinced that the attainment of a democratic, stable and prosperous Afghanistan is possible and is in the supreme interest of peace and international security.

Finally, I convey my full support for the draft presidential statement that has been submitted. I think that the Council will be sending a very important message by adopting that draft statement.

The President: I thank the representative of Angola for the kinds words he addressed to my delegation and my Government.

I now give the floor to the representative of Afghanistan.

Mr. Farhâdi (Afghanistan): I would like to begin, Mr. President, by expressing my appreciation to you for convening this important meeting on Afghanistan. I would also like to thank Mr. Jean-Marie Guéhenno, Under-Secretary-General for Peacekeeping Operations, and you, Mr. President, for your comprehensive briefings on the outcome of the Berlin conference on Afghanistan that met on 31 March and 1 April 2004.

I am thankful to the delegations that expressed their satisfaction at the Berlin conference, and I am particularly grateful to those who appreciated the role of the Afghan people in preserving their independence. Moreover, I also extend, on behalf of my Government, sincere appreciation to the co-Chairs of the Berlin

conference — Germany, Japan and the United Nations — who provided excellent assistance to the Afghan Chairman in handling the proceedings of the conference. The Afghan people are grateful to the Government of Germany for hosting that historic meeting.

We were grateful to witness the participation in the conference of representatives of nearly 65 countries and international organizations. The goal of the conference was to assess the progress made in the past two years and to discuss the remaining challenges ahead in the context of the full implementation of the Bonn Agreement of 5 December 2001.

Since the conclusion of the Bonn Agreement, a genuine partnership between Afghanistan and the international community has proved that success is, in fact, possible. The various achievements of the past two years include the recent ratification of a new Constitution by the Loya Jirga on 4 January 2004, which provides the foundation for the upcoming presidential and parliamentary elections, scheduled for September 2004, aiming at the completion of the transitional process.

The Berlin declaration on Afghanistan is indicative of the continued and sustained support of the international community aimed at ensuring stability, security and economic development in that country. We are grateful to all donor countries that have pledged support to Afghanistan's reconstruction and reform programmes, from the time of the Tokyo Conference of January 2002 to the conclusion of the Berlin conference. We are convinced that the pledges made at Berlin, amounting to approximately $8.2 billion for the March 2004 — March 2007 fiscal years, will keep Afghanistan on track towards development and stability.

With regard to security, we welcome the decision taken by NATO to expand the mandate of the International Security Assistance Force (ISAF) by deploying five additional provincial reconstruction teams. We believe that the expansion of ISAF will strengthen security in preparation for the elections and help to disarm, demobilize and reintegrate former combatants. In addition, the Afghan Government is currently engaged in the process of forming its National Army and Police Force, with the assistance of Afghanistan's friends.

On the issue of combating narcotics, the Berlin conference provided an opportunity for Afghanistan and its neighbours to reaffirm their commitment to work together to combat the problem. To that effect, we welcome the signing of the six-country accord by the Ministers of Foreign Affairs of those countries.

My delegation has studied the statement that you, Sir, drafted, in your capacity as President of the Security Council, and we find it quite satisfactory.

The successful outcome of the Berlin conference has been welcomed by the Afghan people.

To conclude, I would like to reiterate Afghanistan's full commitment to meeting the guidelines of the Bonn Agreement of 2001, in partnership with the international community. With international assistance we can rebuild Afghanistan and create conditions of peace, security and stability in the country and in our region.

The President: I thank the representative of Afghanistan for the kind words he addressed to my delegation and to my Government.

The next speaker on my list is the representative of Ireland. I invite him to take a seat at the Council table and to make his statement.

Mr. Ryan (Ireland): May I congratulate you, Sir, on your assumption of the presidency of the Council. I should like also to compliment Ambassador de La Sablière and the French delegation for a very effective presidency during the month of March.

I have the honour to speak on behalf of the European Union (EU). The acceding countries — Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia; the candidate countries — Bulgaria, Romania and Turkey; the countries of the Stabilization and Association Process and potential candidates Albania, Croatia, the Former Yugoslav Republic of Macedonia, and Serbia and Montenegro; and the European Free Trade Association (EFTA) countries Iceland, Liechtenstein, and Norway, members of the European Economic Area, align themselves with this statement.

The European Union is grateful for the opportunity today to review the outcome of last week's conference in Berlin — "Afghanistan and the international community: a partnership for the

future" — and looks forward to Afghanistan's development from this point on.

Since the Bonn Agreement of December 2001, there have been many significant and positive developments in Afghanistan which have confirmed the resolve of the Afghan people to determine freely their own political future.

The Berlin conference held last week was a very clear demonstration of the unprecedented cooperation between the Transitional Administration, the United Nations and the international community in the reconstruction and development of Afghanistan. The work plan presented by President Karzai in Berlin will ensure that a functioning democracy is the only way ahead for Afghanistan.

The European Union greatly values the commitment of the United Nations and of individual nations to assisting Afghanistan in reconstruction and security sector reform. The contribution made by non-governmental civil society and humanitarian organizations is also vital.

The European Union, for its own part, has been, and will continue to be, one of the major partners and donors backing Afghanistan's reconstruction. There is much that the European Union and its member States are doing to help deliver those goals; it would take too long to review all of those efforts this morning. However, it is worth noting, as an indication of our commitment to Afghanistan, that the combined contributions for 2004 from the European Commission and the Union's member States total some 700 million euros.

The provision of security remains absolutely critical to everything the Afghan Transitional Administration and its international partners are trying to achieve. The expansion of the International Security Assistance Force (ISAF) is a demonstration of the international community's commitment to Afghanistan and will play a key role in assisting the Transitional Administration in providing security for the electoral process. Individual EU member States continue to make very significant commitments to providing for Afghanistan's security through participation in ISAF and provincial reconstruction teams, as well as serving alongside their allies under Operation Enduring Freedom. The sacrifices that have been made, both by Afghans and non-Afghans, are not forgotten.

The people of Afghanistan, however, also experience insecurity as a result of weak rule of law; the absence of an effective national police force and army; and the spread of opium production, which fuels crime and corruption. Afghanistan's efforts, in partnership with lead nations, to address these issues must be supported by the entire international community.

With the approval of the Constitution by the Constitutional Loya Jirga, the people of Afghanistan have taken the reins of their own political destiny. The men and women of Afghanistan, of whatever ethnic or regional identity, may now aspire to live in a society governed by the principles of freedom, justice and democracy.

The election and formation of a fully representative Government should be a priority for all parties in Afghanistan. In this regard, the announcement by President Karzai in Berlin that direct presidential and parliamentary elections will be held in September this year is a very positive development. The European Union will endeavour, with the United Nations Assistance Mission in Afghanistan and the Afghan Transitional Administration, to ensure that the elections can be held in accordance with the principles agreed at the 2001 Bonn conference. Efforts to develop Afghan civil society and a free media are an important part of this undertaking.

The European Union firmly believes in the protection and promotion of human rights, especially in relation to women and children, and in this regard welcomes the Afghan Transitional Administration's commitment to meet its obligations under international human rights law, as well as the progress made to date. The European Union commends the work of the Afghan Independent Human Rights Commission in carrying out its mandate, despite the difficult environment in which it operates. It is important to ensure that the Commission remains independent, with proper financial and political support, and that its mandate is clearly articulated in law.

The European Union urges the Afghan Transitional Administration and future Governments to enable the full participation of women and girls in Afghanistan's civil, cultural, economic and political life, and we emphasize their responsibility to ensure the full implementation of the Constitution's provisions on human rights. The European Union will continue to

encourage and support efforts in Afghanistan to promote a society in which the human rights of all are fully respected.

In the past two years, Afghanistan has made great progress. While many challenges remain to be overcome — and their complexity may seem daunting — the European Union believes that the people of Afghanistan have the courage and determination necessary to overcome them. They can rely on the support of the European Union, its member States and the entire international community.

The President: I thank the representative of Ireland for his kind words addressed to my delegation and my Government.

The next speaker on my list is the representative of Japan. I invite him to take a seat at the Council table and to make his statement.

Mr. Haraguchi (Japan): The international conference on Afghanistan held at Berlin on 31 March and 1 April reaffirmed the strong commitment of the international community to the Afghan people, with ministerial-level participation from many countries, despite the concern previously expressed about the shift of international attention from Afghanistan to other issues, such as Iraq. Japan, for its part, announced its readiness to extend further grant assistance amounting to $400 million over the coming two years, which brings Japan's contributions since September 2001 to over $1 billion. The total commitment by the donor community at the conference for the reconstruction and development of Afghanistan amounts to $8.2 billion over the next three years.

As one of the conference co-Chairs, Japan warmly welcomes that outcome and expresses its gratitude to the Government of Germany for having hosted the conference.

Japan has stressed from the beginning that the reinforcement of the political process, a seamless transition from humanitarian assistance to recovery and reconstruction, and the establishment and nationwide expansion of security are closely interlinked and should be addressed in a comprehensive manner. Japan also believes that it is particularly important to bring about human security, with the goal of achieving nation-building and society-building through the protection and empowerment of every individual in Afghanistan. From that perspective, we believe that the conference, which integrated the Bonn process for peace and security and the Tokyo process for reconstruction, was an important step towards the consolidation of peace in Afghanistan.

Acknowledging that success, I would like to point out three issues that need to be dealt with going forward. The first relates to the elections. The formal announcement by President Karzai of the organization of both presidential and parliamentary elections in September provided an opportunity for the conference to accelerate the preparation process even further. All necessary tasks should be expeditiously carried out in the coming months, including overcoming the delays in voter registration, preparing to provide overseas Afghans with voting opportunities and mobilizing resources that are necessary to successfully implement the elections. Japan is resolved to extend assistance to ensure the success of the elections. As part of such assistance, it has already committed to providing $8.2 million for voter registration.

Secondly, with regard to security, we welcome the fact that the international community expressed its determination at the conference to assist further in the stabilization of the security situation, not only in Kabul and some provincial cities, but throughout the entire country, specifically through the deployment of Provincial Reconstruction Teams, in order to restore security and to contribute to the country's reconstruction and development.

Japan, together with the United Nations Mission of Assistance in Afghanistan, has been leading the disarmament, demobilization and reintegration (DDR) process and, as of mid-February, more than 5,500 ex-combatants have been disarmed and demobilized in four areas, including Kabul, in the pilot phase of the DDR programme.

The vigorous implementation and intensification of the programme ahead of the elections is a task of the greatest importance. We need to further strengthen our efforts to address such requirements as achieving complete disarmament in Kabul, disarming the commanders, accelerating reintegration programmes and creating job opportunities. We strongly urge all Afghan parties to make a full commitment to DDR, and reiterate our request to neighbouring countries and the international community to support the programme.

Thirdly, one of the most discussed issues at the conference was drug production and trafficking, and

the importance of taking effective countermeasures in this regard was fully recognized. Enforcement alone will not solve the problem. An integrated approach involving the simultaneous implementation of measures to introduce alternative crops and to promote DDR for the regional groups engaging in drug production is required. In this connection, the importance of agriculture and rural development cannot be overemphasized. Japan has been accelerating comprehensive community development projects in the provinces under the so-called Ogata Initiative in an attempt to achieve human security, focusing on reconstruction at the provincial community levels, and we believe such initiatives will also help to support the fight against drugs.

Substantive results have been achieved since the signing of the Bonn Agreement and the holding of the Tokyo conference, but much more must be done in order to conduct the elections — the last and most important milestone of the Bonn process. Furthermore, efforts towards rebuilding Afghanistan and achieving lasting peace should not come to a close with the forthcoming elections. The long-term commitment of the international community is essential. I would like to stress that it is of critical importance for the credibility of the United Nations that, once it has embarked upon a project, it continue its engagement in it until its objectives are attained. A lasting partnership between Afghanistan and the international community, as emphasized in the Berlin declaration, is what we should strive to sustain, in order to ensure a promising future for the country as a whole.

Mr. Nambiar (India): I congratulate you, Mr. President, on Germany's assumption of the presidency of the Council for April. I also congratulate Ambassador De La Sablière of France for his stewardship of the Council during March.

It has been 10 months since we last had an opportunity in the Security Council to consider the situation in Afghanistan. This open debate takes place in the wake of the international Afghanistan conference that concluded in Berlin on 1 April. We are grateful to you, Sir, for the briefing you have just provided, and also to Under-Secretary-General Guehenno for his briefing.

The Berlin conference was held at a critical juncture. It enabled the international community to take stock of the achievements since Bonn. More important, it provided an opportunity to plan further consolidation of these gains by facilitating elections, strengthening security and political institutions and providing the requisite base for Afghanistan's reconstruction and development. India, as a participant of the Berlin conference, welcomes its results and congratulates the four co-chairs — the United Nations, Afghanistan, Germany and Japan — for their role in securing this success.

The successful conclusion of the Constitutional Loya Jirga and the subsequent adoption of the new Constitution were milestones in the Bonn process. We congratulate the Transitional Government, led by President Karzai, on the progress achieved since the Bonn Agreement. We welcome the announcement by President Karzai to hold the presidential and parliamentary elections simultaneously in September this year.

After decades of conflict and destruction, it will take time and patience for a fully functioning democracy to take root in Afghanistan. Until then it has to be nurtured carefully. Consolidation and extension of central authority requires a broad-based governmental process, and the country must be free from outside interference.

The international community's approach to Afghanistan has to be realistic and must take into account the complexities and difficulties on the ground. Forward movement in the electoral exercise in Afghanistan would depend much upon progress in voter registration. A balance between speed and stability is essential for the success of the political process. Realism also demands a degree of flexibility in dealing with situations.

The Berlin declaration of 1 April highlighted the common resolve of the international community to defeat terrorists who undermine security and reconstruction efforts in Afghanistan. To objective observers of the situation in Afghanistan, it is evident that the peace and stabilization process there remains fragile. The biggest threat to stability in Afghanistan continues to emanate from terrorism, as currently manifested in the incidents of violence in the country, particularly in south and south-east Afghanistan. Therefore, defeat of the forces of terrorism and demolition of the infrastructure of terrorism must necessarily be the first priority.

The report of the Council's mission to Afghanistan in October and November 2003 (S/2003/1074) led by you, Mr. President, concluded that the three main sources of insecurity in Afghanistan were terrorism, factional fighting and drug production and trafficking. Under the subheading "Terrorism", the report also noted that

> "In the provinces of the south, south-east and east, insecurity is greatly exacerbated by terrorist attacks from suspected members of the Taliban and Al Qaeda, and supporters of Gulbudin Hekmatyar." (*S/2003/1074, para. 22*)

Unfortunately, the situation is no different today. Continuing terrorist attacks by regrouped Taliban and Al Qaeda elements constitute the primary source of insecurity in Afghanistan. These attacks are also aimed at obstructing delivery of reconstruction assistance. The assassination of the United Nations Office of the High Commissioner for Refugees international staff member Bettina Goislard in November last year and attacks against United Nations agencies led the Secretary-General to report to the Council on 30 December 2003 that "Attacks on international and national staff of the assistance community and officials of the central Government" had placed "much of the south and south-east of the country ... effectively off limits to the United Nations, the assistance community and central Government officials ..." (*S/2003/1212, paras. 6 and 7*).

In his current report of 19 March 2004, the Secretary-General states:

> "Insecurity in the country continues to follow a well-known pattern and has shown no signs of significant improvement". ... "Attacks by extremist elements on aid agencies, both national and international, and on government officials continue to occur, predominantly in the southern provinces". (*S/2004/230, para. 6*)

Despite the continuing threat assessment, the Secretary-General's latest report and the statement of the Assistant Secretary-General for Peacekeeping Operations, in his briefing to the Council on 24 March, made scant reference to security threats by Taliban or Al Qaeda terrorists, preferring to attribute such actions to "extremists". As the general membership is not privy to closed discussions between the Council and the Secretariat, we would like to understand the reasons for such downplaying of threats to Afghanistan from terrorist groups, particularly in the south and the south-east of the country.

Consideration of these recent reports of the United Nations Secretariat brings to mind a number of relevant questions. Is it the United Nations view that these groups no longer represent a threat to Afghanistan or are these reports and briefings in the Council the product of some kind of compromise? Or, did the absence of any reference to these organizations imply that the work of the Security Council 1267 Committee concerning the Taliban and Al Qaeda had achieved closure, at least in Afghanistan?

It will not be incorrect to say that the steady dilution of reporting on Afghanistan over the past year or so has not always been fully consistent with the position on the ground. In our view, the reports of the United Nations Secretariat must be objective, far more discerning and reflective of ground realities.

Incidents of violence reported in other parts of Afghanistan are also a matter of concern. However, it is our expectation that the political process will subsume these local pressures and interests. The success of the Constitutional Loya Jirga is a significant indicator in this direction. Leaders, with diverse interests, from all parts of the country, participated in the Constitutional Loya Jirga; they became part of it and ensured that it did not fail. A democratic political process in Afghanistan would absorb in its fold the varying interests, as indeed happens in all democracies throughout the world.

We agree that continued international presence is essential to discourage the resurgence of negative forces. However, long-term stabilization of the country requires the building up of national security institutions led by Afghans and entrenched in Afghanistan's ground realities.

Unfortunately, this process has not moved so far at the desired pace. India remains ready to contribute to rebuilding Afghan security institutions, in whichever way possible, in coordination with our Afghan and international partners.

The steady rise in drug production and trafficking is a matter of serious concern. Apart from undermining the process of political and economic reconstruction in Afghanistan, this has dangerous repercussions for the region and beyond. The international community must act quickly to curb opium cultivation by providing

Afghan farmers with economically viable and sustainable alternatives.

In view of our historical ties of friendship and cooperation with Afghanistan and the Afghan people, India has made a substantial contribution to Afghanistan's reconstruction effort. Despite our constraints and the fact that we are not a traditional donor, our present commitment adds up to $284 million, including 1 million tons of wheat aid. With the implementation of a number of planned projects, India's financial commitments for Afghanistan's reconstruction would amount to around $400 million.

In partnership with the Afghan Government, India has undertaken projects in a number of sectors. We also have an extensive programme to rebuild Afghanistan's institutional capacity. Our projects have reached out to people in virtually all parts of the country.

Our commitment of one million tons of wheat aid has been operationalized and about one million Afghan school children have been receiving a package of 100 grams of biscuits every day since the programme began in November 2002. We are told this has contributed to the back-to-school programme.

We have also attempted to encourage trade and investment activity that would lead to enhanced income generation in Afghanistan. In the coming period, we expect to focus more on infrastructure projects, such as work on the Zaranj-Delaram road, the Salma Dam Project in the Province of Herat, and the construction of a new parliament building and of the double circuit transmission line from Put-e-Khumri to Kabul.

India's programme of economic assistance in Afghanistan is guided by Afghan priorities and ownership. Our relations are bilateral and direct. The underlying principle remains our desire to see Afghanistan emerge as strong, united, independent and prosperous. We wish to see full consolidation of authority by the central Government. Our efforts in reconstruction and other sectors would continue to be directed towards these ends.

The Berlin conference has correctly been referred to as a milestone in Afghanistan's peace process. Its success lay in galvanizing international support for Afghanistan's political, electoral, economic and financial evolution into an independent, responsible and contributing member of the international community. It is therefore all the more important that the expressions of support made at Berlin be given practical dimension in the critical months ahead.

The President: I thank the representative of India for the kind words addressed to my delegation and to my Government. I invite him to resume the seat reserved for him at the side of the Council Chamber.

I now give the floor to Under-Secretary-General Jean-Marie Guéhenno.

Mr. Guéhenno: Let me say how pleased we are that so many delegations have stressed the importance of security for Afghanistan. Security has many facets in Afghanistan, and I would like to clarify that, indeed, the threats of Al Qaeda and the Taliban remain a great source of concern. We have seen the effects of such threats on our staff. I would like to clarify that when we talk about extremist elements, we indeed refer to such elements as Al Qaeda and the Taliban.

It is unfortunately also clear that security in Afghanistan has many facets and that dealing with the question of factionalism, to which I referred again in today's briefing, is also important for the stabilization of the country. The unfortunate events in Herat, to which I referred, are an illustration of the dangers of factionalism for peaceful elections.

I would like to conclude, in that respect, on the importance of disarmament, demobilization and reintegration (DDR), without which the strength of Afghanistan will be considerably undermined. So I think that if we want to consolidate security in Afghanistan, we have to work on several fronts. The major contribution made by Operation Enduring Freedom in the fight against Al Qaeda and the Taliban is to be commended. The efforts of the international community to build the Afghan national army are important. The role of the provincial reconstruction teams (PRTs) in stabilizing the region is essential. The contribution of Japan and other countries to DDR is vital to the stability of Afghanistan.

The President: After consultation among members of the Security Council, I have been authorized to make the following statement on behalf of the Council:

> "The Security Council welcomes the results of the Berlin conference on Afghanistan, held on 31 March and 1 April 2004, co-chaired by the United Nations, Afghanistan, Germany and

Japan. The Council thanks Afghanistan and Germany for jointly hosting this event, an important milestone on the way to a secure, stable, free, prosperous and democratic Afghanistan.

"The Council expresses its full support for the commitment of Afghanistan and the international community to successfully complete the implementation of the Bonn Agreement and to continue the transition process in Afghanistan through a lasting partnership, thus reflecting a model for a common endeavor of the international community in its fight against terrorism.

"The Security Council endorses the Berlin declaration and stresses the relevance of the work plan of the Afghan Government, the progress report and the Berlin declaration on Counter-Narcotics, annexed to the Berlin Declaration, and welcomes the significant financial multiyear commitments made by the international donor community.

"The Security Council in particular expresses full support for the commitment by the Government of Afghanistan to pursue the necessary reform steps and actions as outlined in the work plan.

"The Security Council welcomes the announcement of President Karzai to hold direct presidential and parliamentary elections by September of this year. The Council stresses the importance of a secure environment for free, fair and credible democratic elections, and that to this end further efforts of the Government of Afghanistan and of the international community are needed.

"The Security Council welcomes in this regard the decision taken by the President of Afghanistan to implement vigorously the disarmament, demobilization and reintegration programme, in particular to intensify it ahead of the 2004 elections, and to continue the formation of the Afghan national army and the national police.

"The Council also acknowledges the commitment by NATO to expand the mission of the International Security Assistance Force (ISAF) by establishing five additional provincial reconstruction teams (PRTs) by summer 2004 and further PRTs thereafter, as well as the readiness of ISAF and the Operation Enduring Freedom to assist in securing the conduct of elections.

"The Security Council welcomes the commitments totalling $8.2 billion for the fiscal years March 2004 to March 2007 made by participants at the Berlin conference for the reconstruction and development of Afghanistan and stresses the importance, with increasing absorption capacity, for a growing share of this assistance to be channeled through the Afghan budget as direct budget support or as contributions to the Afghanistan Reconstruction Trust Fund and to the Law and Order Trust Fund.

"The Security Council stresses that opium poppy cultivation, drug production and trafficking pose a serious threat to the rule of law and development in Afghanistan as well as to international security, and that therefore Afghanistan and the international community shall endeavor to reduce and eventually eliminate this threat, including through the development of economic alternatives. The Council reiterates the importance of increased cooperation among neighbouring States and countries along trafficking routes to strengthen anti-narcotic controls.

"The Security Council takes note of the appeal of President Karzai at the Berlin Conference for additionally needed international support in countering narcotics. The Council refers in this context to the necessary implementation of the Afghan National Drug Control Strategy and the counter-narcotics action plans in the areas of law enforcement, judicial reform, alternative livelihoods, demand reduction and public awareness. The Security Council calls upon Member States to support the implementation of these action plans. Afghanistan needs both human and financial resources to tackle this problem.

"The Security Council welcomes in particular the Berlin Declaration on Counter-Narcotics within the framework of the Kabul Good-neighbourly Relations Declaration, signed by Afghanistan and its neighbours, as well as the

planned Conference on Regional Police Cooperation to be held in Doha on 18 and 19 May.

"The Security Council invites the Secretary-General to include in his future reports to the Security Council and the General Assembly on the situation in Afghanistan, in addition to the information on implementation of the Bonn Agreement, chapters on progress achieved in the implementation of the Berlin declaration, the work plan of the Afghan Government and in the promotion of regional and international cooperation with Afghanistan.

"The Security Council reaffirms its full support for the actions taken by the Special Representative of the Secretary-General and the United Nations Assistance Mission in Afghanistan and reiterates the central and impartial role of the United Nations in the international efforts to assist the Afghan people in consolidating peace in Afghanistan and rebuilding their country.

"The Security Council will remain seized of the matter."

This statement will be issued as a document of the Security Council under the symbol S/PRST/2004/9.

There are no further speakers on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 12.40 p.m.

United Nations S/PV.4942

Security Council

Fifty-ninth year

Provisional

4942nd meeting

Tuesday, 13 April 2004, 10 a.m.

New York

President:	Mr. Pleuger	(Germany)
Members:	Algeria	Mr. Baali
	Angola	Mr. Gaspar Martins
	Benin	Mr. Adechi
	Brazil	Mr. Sardenberg
	Chile	Mr. Maquieira
	China	Mr. Zhang Yishan
	France	Mr. Duclos
	Pakistan	Mr. Akram
	Philippines	Mr. Baja
	Romania	Mr. Motoc
	Russian Federation	Mr. Gatilov
	Spain	Ms. Menéndez
	United Kingdom of Great Britain and Northern Ireland	Mr. Thomson
	United States of America	Mr. Cunningham

Agenda

Security Council resolutions 1160 (1998), 1199 (1998), 1203 (1998), 1239 (1999) and 1244 (1999)

This record contains the text of speeches delivered in English and of the interpretation of speeches delivered in the other languages. The final text will be printed in the *Official Records of the Security Council*. Corrections should be submitted to the original languages only. They should be incorporated in a copy of the record and sent under the signature of a member of the delegation concerned to the Chief of the Verbatim Reporting Service, room C-154A.

04-30812 (E)

The meeting was called to order at 10.10 a.m.

Adoption of the agenda

The agenda was adopted.

Security Council resolutions 1160 (1998), 1199 (1998), 1203 (1998), 1239 (1999) and 1244 (1999)

The President: I should like to inform the Council that I have received letters from the representatives of Albania, Ireland, Japan, and Serbia and Montenegro, in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mrs. Ninčič (Serbia and Montenegro) took a seat at the Council table; the representatives of the other aforementioned countries took the seats reserved for them at the side of the Council Chamber.

The President: In accordance with the understanding reached in the Council's prior consultations, and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Jean-Marie Guéhenno, Under-Secretary-General for Peacekeeping Operations.

There being no objection, it is so decided.

I invite Mr. Guéhenno to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

At this meeting, the Security Council will hear a briefing by Mr. Jean-Marie Guéhenno, Under-Secretary-General for Peacekeeping Operations. I now call on Mr. Guéhenno.

Mr. Guéhenno (*spoke in French*): My briefing to the Council this morning will focus on the widespread violence that racked Kosovo in March, the responses to that violence and the implications of those events.

As the Council is aware, the violence appears to have been directly sparked by a series of events in the days preceding the clashes, which raised the level of tension between the Kosovo Albanians and the Kosovo Serbs. In particular, the shooting of a Kosovo Serb youth on 15 March in the village of Caglavica, near Pristina, and the death by drowning of two Albanian children in the Ibar River on 16 March — the body of a third Albanian child believed also to have drowned has yet to be found and the circumstances of the drowning have not been established — were a catalyst for the violent acts that ensued. Inflammatory and often biased media reporting on both incidents contributed to raising tensions.

The demonstrations that followed the incidents that I have just referred to, although apparently spontaneous at the outset, were quickly taken over by organized elements with an interest in driving the Kosovo Serbs from Kosovo and threatening the international presence in Kosovo. The results of these two days of violence in Kosovo speak for themselves: 19 persons died; 954 civilians were injured in the course of the clashes and rioting that occurred in Kosovo; 65 police officers of the United Nations Interim Administration Mission in Kosovo (UNMIK), 58 Kosovo Police Service Officers and 61 KFOR personnel were injured; approximately 730 houses, nearly all of which belonged to Kosovo minorities — basically Serbian — were burned or damaged; more than 150 vehicles, including 100 UNMIK vehicles, were destroyed or severely damaged; KFOR itself had one armoured personnel carrier and three other vehicles destroyed.

The situation throughout Kosovo is currently quiet, though it remains tense. The potential for further violence there continues and sporadic attacks continue to occur, including attacks against international staff and the Kosovo police presence. The worst of those occurred on 23 March, when a Ghanaian UNMIK police officer and an Albanian colleague of the Kosovo Police Service were killed when a group of Kosovo Albanian uniformed men fired on their police patrol vehicle. Seven individuals have been subsequently detained by UNMIK following that attack. In a separate attack, in Mitrovica on 24 March, a Kosovo Serb threw a grenade at a KFOR checkpoint and slightly injured two KFOR soldiers. That individual

was subsequently arrested by other Kosovo Serbs and handed over to UNMIK Police.

(*spoke in English*)

The onslaught led by Kosovo Albanian extremists against Kosovo Serbs, Roma and Ashkali communities was an organized, widespread and targeted campaign. Attacks on Kosovo Serbs occurred throughout Kosovo, in larger cities such as Pristina and Gnjilane, as well as in small villages such as Belo Polje in the Pec region, where groups of Kosovo Serbs had recently returned and had planned to rebuild their lives in Kosovo. Properties were demolished, public facilities such as schools and health clinics were destroyed, communities were surrounded and threatened and residents were forced to leave their homes. The inhabitants of entire villages had to be evacuated and, following their departure, their homes were burned to the ground. For instance, in Vucitrn, in the southern Mitrovica region, the Ashkali neighbourhood in which Kosovo's returns process was officially launched, was entirely burned, displacing some 300 individuals who had returned to Kosovo over the past two years. Similarly, a Kosovo Serb village Svinjare, also in the southern Mitrovica region, was completely destroyed.

Perhaps most disturbing and reprehensible, mobs looted, burned and damaged or destroyed 36 Serbian Orthodox churches, monasteries and other religious and cultural sites. Of these sites, 30 are Orthodox churches, two are Orthodox monasteries, one is the Episcopal residence of the Serbian Orthodox bishop, one is an Orthodox theological school and one is an Orthodox Serbian cemetery. The places of worship that were attacked date as far back as the fourteenth century. Two of these have been listed by the United Nations Educational, Scientific and Cultural Organization (UNESCO) as major sites of universal significance and a third is listed as a site of regional significance.

The attacks were therefore attacks not simply against places of worship, but against Kosovo's cultural heritage, Kosovo's common collective memory, of which the Serb Orthodox church — as we can see from the exhibition now at the Metropolitan Museum of Art — is an important part. It was an attack against our own collective heritage and many of these sites had remained untouched for centuries through various conflicts. UNMIK is working on establishing assessment teams, led by international heritage experts appointed by UNESCO and the Council of Europe and comprising both Serb Orthodox experts and officials of the Ministry of Culture of the Provisional Institutions of Self-Government (PISG). Equally regrettable was the retaliatory burning of mosques by Serb extremists in Belgrade and in other parts of Serbia.

The violence has completely reversed the returns process, which prior to the recent events had shown signs of limited but encouraging progress. The total number of persons displaced as a result of the wave of violence is 4,100 people, which is more than the total number of returns for 2003. UNMIK has responded to the crisis and, together with the Office of the United Nations High Commissioner for Refugees, has moved to ensure the urgent distribution of humanitarian assistance and to gradually stabilize the conditions of the displaced. The United Nations country team assumed the lead in managing and coordinating the humanitarian response to the current crisis. The priority now is to assist those of them who are prepared to return.

The initial response by the leadership of Kosovo's Provisional Institutions was ambivalent. While Prime Minister Rexhepi should be commended personally for his public pronouncements and actions and his calls for an end to the violence, the Kosovo Government issued a statement which focused on the drowning of the Kosovo Albanian children and assumed it was caused by Serbs and was a result of inter-ethnic hatred. As mentioned earlier, this claim was unsubstantiated at that time and still is. Others within the Provisional Institutions of Self-Government, including Government ministers and municipal assembly presidents, initially condoned or justified the violence. A statement issued by the Assembly focused on parallel structures rather than on the evolving violence. With regard to non-governmental actors, Kosovo Albanian civil society generally failed to take a responsible stand against the ethnic violence. Moreover, there were reports of cases in which members of veteran groups of the Kosovo Liberation Army participated in the violence.

Only following the strong reaction and pressure by the international community did the leadership of the Provisional Institutions of Self-Government come to realize that attempting to justify the violence was unacceptable. While representatives of the Provisional Institutions of Self-Government did move to condemn the violence, their statements largely failed to

expressly condemn the attacks on the Kosovo Serb community. Subsequently, representatives of the three main Kosovo Albanian parties, along with representatives of the Turkish, Bosniac, Egyptian and Ashkali communities, signed an open letter to the people of Kosovo condemning the violence and calling for mutual respect among all of Kosovo's communities. The PISG have also committed funds and logistic support for the reconstruction effort, including for the rebuilding of destroyed or damaged religious buildings or monuments.

It should be noted that, during and immediately after the violence, the authorities in Belgrade played a constructive role in collective efforts to stem the violence and stamp out any extremist reaction. We welcome in particular the fact that Belgrade has regretted the burning of the mosques and has pledged to rebuild them.

The steps taken by the leaders of Kosovo's Provisional Institutions are commendable and necessary and should be supported, although they came late and only under outside pressure, but they are not enough. What is clearly needed is for Kosovo's leaders to identify those officials — at both the local and the central levels — who may have provided active backing or passive support to the extremists and who may have used these events to further promote intolerance in Kosovo. Kosovo's leaders must leave no doubt of their wholehearted commitment to tackling and confronting extremism and extremist positions, including within their own ranks, and to holding those politicians responsible and to disciplining those civil servants who may have played an instrumental role in fomenting or participating in the violence.

As the events were unfolding, the Special Representative of the Secretary-General, Mr. Holkeri, immediately moved on a number of fronts in an effort to stem the spread of violence. On the political front, in close coordination with the Commander of KFOR, he convened Kosovo's leaders and asked that, as a first step, they call for an immediate cessation of the violence. To reinforce this message publicly, Mr. Holkeri made a number of statements in the Kosovo and international media calling for calm. Consultations with UNMIK's partners and with Member States' liaison offices on the ground were held throughout the crisis. On the operational front, UNMIK and KFOR established a senior crisis team to coordinate policy and security actions in response to the crisis, which focused on re-establishing a safe and secure environment, immediately launching efforts to apprehend and investigate those involved in the violent actions and to ensure a rapid return to stability and normalcy.

Let me take this opportunity to thank the North Atlantic Treaty Organization (NATO) for the speed and determination with which it responded to the crisis and for the additional troops that were provided on short notice as part of the collective effort to re-establish safe and secure conditions for Kosovo's population and the international presence there. I also welcome NATO's intention to retain the additional troops in Kosovo.

UNMIK has launched an investigation as well as an assessment of the violence and the extent to which it was organized. A task force and incident room coordinates the investigative efforts and works in close coordination with the criminal division of UNMIK's Department of Justice. So far, investigations have resulted in 183 arrests in connection with the violence. International prosecutors are currently working on 42 cases and an additional 90 are being handled by the local judiciary. However, given the scale of the violence, it is clear that additional investigative capacity will be needed in order for law enforcement authorities to be able to fully, vigorously and effectively pursue these investigations. To this end, UNMIK has asked for 100 additional police investigators and I would take this opportunity to urge those Member States which have been contacted with this request for a speedy and positive reply and to thank those that have done so already.

Although it is early to make a comprehensive assessment of the role of the Kosovo Police Service, it should be noted that many officers performed courageously and professionally in extremely difficult conditions. While the performance of those officers should therefore be commended, there are also reports that some may have taken no action to prevent the violence or, worse still, may have participated in it. All these reports will be thoroughly investigated and necessary measures taken against any officers who did not behave according to professional standards.

The brutality and breadth of these events have indicated to all of us that Kosovo still has a long way to go on the path to multi-ethnicity. The violence represents a huge setback for the stabilization and

normalization of Kosovo's security and political environment and for the efforts by UNMIK and the international community in Kosovo to continue to promote reconciliation. The events have also demonstrated the need for a genuine commitment of the leadership and of the people of Kosovo not only in words, but also in deeds, to the standards of a truly democratic and tolerant society.

What is now required is that the standards implementation process be put back on track. Mr. Holkeri, together with Prime Minister Rexhepi, has gone ahead with the launch of the Kosovo Standards Implementation Plan in order to move the process forward and not to lose momentum. The Plan contains key priority actions in the areas of returns and freedom of movement in response to the violent events in March. Further review and revision of the Plan, with additional emphasis on security and the rule of law, minority rights and protection and returns, and on decentralization, may be necessary in the wake of the violence.

Those who seek to undermine Kosovo's progress through violence must know that violence will not be rewarded and that the international community remains determined and committed to move Kosovo forward. In this regard, it is important that the dialogue between Pristina and Belgrade, which is currently on hold, resume as soon as possible.

Steps are under way within UNMIK to learn from what has occurred and to take necessary corrective measures. A crisis management review body to evaluate and assess UNMIK's response has been set up. UNMIK is also engaged in efforts at all levels to establish a basis of confidence for Kosovo Serbs and to foster reconciliation among Kosovo's communities. This is clearly an extremely difficult challenge, and it cannot be accomplished without the full commitment of Kosovo's leaders and institutions.

The events have shown us that the international community's determination to ensure that Kosovo progresses on the path of coexistence and then reconciliation among communities is, on its own, not sufficient. What is required now is concrete action by Kosovo's leaders and its people to address the root causes of the ethnically motivated violence that continues to plague Kosovo and to implement measures that ensure that that violence will not be repeated. Indeed, beyond the immediate measures that are being taken to address the consequences of the violent events and take necessary corrective measures, there needs to be a collective effort to address their causes.

Kosovo's leaders bear a responsibility in this regard, and they will be judged on how they do so. They are therefore called upon once again to exercise true leadership and responsible government and to marginalize and hold politically accountable those among them who may have condoned or supported the violence. The message they are called on to convey to Kosovo's representatives and its population is simple and clear: there can be no peaceful and prosperous future for Kosovo without respect for the diversity of its people — violence will not be rewarded.

Mr. Thomson (United Kingdom): We are grateful to Jean-Marie Guéhenno for a trenchant presentation, with which the Council will find me substantially agreeing.

The Irish Presidency of the European Union will be making a statement later in this debate with which the United Kingdom fully associates itself, but I would nevertheless like to make a number of points.

As we have just heard, we have just witnessed the most serious outbreak of inter-ethnic violence in Kosovo since 1999. It has, as Mr. Guéhenno told us, severely damaged Kosovo's reputation, and it shows there is a long way to go to build tolerance. With the initial crisis response over, analysis of the situation points to the cause being major problems not only with underlying ethnic tension, but also in the international community's relationship with Kosovo.

It is clear that we need to learn the lessons of 17 to 20 March. We should not shirk from asking ourselves the hard questions, nor from owning up to mistakes. The only way to prevent that violence happening again is for the international community to undertake a robust lessons-learned exercise, accept the responsibility and act on the recommendations. United Nations Interim Administration Mission in Kosovo (UNMIK) need to continue their own speedy assessment of what went wrong. But we should not jump to conclusions or rush to change the underlying policy of the standards review mechanism that this Council endorsed last December.

While the violence of last month was, as Mr. Guéhenno has just said, a huge setback, the United Kingdom believes that the international community's

goal of a multi-ethnic, democratic Kosovo is still possible. We congratulate KFOR and UNMIK for restoring calm, and we appreciate the efforts made by Kosovo Albanian leaders to promote tolerance, especially the open letter of 2 April. We welcome their commitments to rebuilding a multi-ethnic Kosovo, and we look forward to seeing those commitment fulfilled.

The recent violence has set the standards process back and demonstrates the need for renewed engagement on the part of the international community, but it has not killed the prospects. In tackling the underlying issues to secure real progress in Kosovo, there are several key challenges for UNMIK, for KFOR and the wider international community. We see the need for the following steps, among others.

First is the need to suppress and deter violence. NATO and UNMIK police need to ensure that the Serb community feels safe to return to their homes, and they need to consider what measures need can be taken to ensure continuing security. A key element, we believe, is the need to tackle extremists with political links.

Secondly, as Mr. Guéhenno has reminded us, we need a better public information strategy, led by the United Nations, to publicize the standards review mechanism and to stop rumours before they get out of hand. We need to help create a responsible media. Extremists should not be allowed to think that violence will force the international community's hand or bring forward a discussion of Kosovo's status.

Thirdly, we need to reassure the Kosovo Serbs in order to ensure that progress made since 1999 is not reversed. The international community needs to take quick decisions on humanitarian aid and reconstruction for those Kosovo Serbs who have been displaced or had their houses destroyed. This is critical for the region's perception of whether the international community is really committed to multi-ethnicity or not. The local Kosovo government have indicated their intention to fund this work, and that is welcome. But the United Nations needs to make sure that the resources, both financial and labour, are there, and to speed up the process.

At the same time, measures need to be put in place to ensure that the Kosovo Standards Implementation Plan, issued on 31 March, is reinforced to respect minority rights and their role in Kosovo's future and its institutions. We should also be thinking about effective local government, effectively devolving power to local institutions and giving the Kosovo Serbs a greater stake in running their own affairs, as well as a vision of a future they want to be part of.

The important thing, the United Kingdom believes, is to demonstrate that we are committed to the principle of devolution, which will need to be worked out with the parties on the ground. We need to address ourselves carefully to Belgrade. Their statement did contribute to the underlying tension within the Albanian community in Kosovo, who still fear that the Serb army will return, despite the international presence there. Also, as Mr. Guéhenno has reminded us, the dialogue between Belgrade and Pristina must resume as soon as possible.

UNMIK needs to build partnerships with the local Provisional Institutions of Self-Government leaders. There must be a dialogue on how the Provisional Institutions can be made more effective and can work better with UNMIK. We also need to enhance local responsibility while not relinquishing reserved powers from Council resolution 1244 (1999). It is clear that local leaders need to take more responsibility, while not being rewarded for violence.

If Kosovo is to become a real democracy, its leaders need to learn how to govern. We should consider giving them a greater role in issues such as energy, the economy and justice. In return, Kosovo politicians need to make it clear that they buy into the process. Kosovo Albanians must recognize that further violence and unrest will set back the review process. The Provisional Institutions are going to need to demonstrate considerable progress if they are to achieve a positive assessment at the mid-2005 review. We believe it is the responsibility of all parties in the region, including the Provisional Institutions and UNMIK, to work towards a multi-ethnic Kosovo. The United Kingdom believes that no party in Kosovo or the region should be allowed to profit or to advance a political agenda through violent measures.

We also need to address ourselves to the economic state of affairs in Kosovo. The majority of demonstrators were youngsters under 20 years old. Our mission in Pristina spoke to some young Albanians who said that their prime motivation for violence was having no future in Kosovo due to the lack of jobs and the economic situation. These issues, in particular the ongoing problems with privatization, need to be addressed urgently. The international financial

institutions should also be fully engaged. At the same time, UNMIK needs to build confidence. Early movement against those identified by the international task force on corruption would send strong signals of intent.

We should ask ourselves: what do we here in the Council need to do? My delegation believes that there ought to be an early presidential statement, and that it ought to say that the Kosovo Standards Implementation Plan is a step forward and should call on all parties to actively implement the standards. Anything less would be a failure.

In conclusion, we believe that the standards review policy framework remains the best approach to building a multi-ethnic and democratic Kosovo. We should not respond to violence by retreating from this. A premature debate on status would only reward extremists and could make matters worse in the region. The recent violence demonstrates how important it is for all parties to work towards real and lasting implementation of the standards, especially on the rule of law and rights of minorities, among others. Therefore, we very much welcome the publication of the Kosovo Standards Implementation Plan. It is a key step forward.

Mr. Baali (Algeria) (*spoke in French*): I should like to thank Mr. Jean-Marie Guéhenno for his excellent briefing on the situation in Kosovo.

The briefing he just delivered described the grave inter-ethnic confrontation and violence that shook Kosovo in March and from which United Nations Interim Administration Mission in Kosovo (UNMIK) members themselves suffered. It revealed the extreme precariousness of the situation in a battered country that has not yet been able to overcome the aftermath of a war ruthlessly undertaken by two communities.

Algeria, which along with other members of the Security Council condemned those acts of violence, insists on the need to show restraint and a sense of responsibility and to pursue and prosecute those who were responsible for those atrocities and crimes. The Kosovar leaders must learn from the disintegration of the situation that took place in March and take the necessary measures to prevent such a disintegration from reoccurring. Indeed, the serious developments in March stress the need to continue and strengthen the ongoing political process in Kosovo and the launching of the Standards Implementation Plan for Kosovo.

In this regard, that Plan is a step in the right direction, even if it is regrettable that all communities in Kosovo were not able to participate in its drafting. That achievement is a timely reinforcement of the policy of "standards before status" and gives new life to the process of implementing Security Council resolution 1244 (1999) that eventually should lead to consideration of the basic question of the future status of Kosovo.

The Implementation Plan, as it is the outcome of dialogue and close cooperation between UNMIK and the Provisional Institutions of Kosovo, establishes guidelines and actions that Kosovo must undertake within the context of a precise timetable to meet the eight standards. Attaining the standards is a considerable challenge that the Kosovars absolutely must meet. It is a difficult endeavour and it requires sustained sacrifices and efforts of all Kosovars.

Likewise, the international community must help Kosovo to meet these goals and support it in this process. Joint efforts and solidarity are indispensable. The building of a stable, prosperous, democratic, tolerant and multi-ethnic Kosovo is — and this point cannot be repeated too often — our common responsibility.

In this respect, my delegation welcomes the fact that the Plan clearly distributes responsibilities for the implementation of the standards and that it clearly defines the tasks that the Provisional Institutions and UNMIK must carry out within the established deadlines. The progress made in spelling out the eight goals will, we are sure, create new political prospects for Kosovo. Indeed, UNMIK and the Provisional Institutions must implement in full the eight standards before proceeding to an overall assessment of progress in mid-2005, an essential stage which will allow the consideration of the future status of Kosovo to begin.

In order to implement those standards fully, Kosovo will need all of the energy and support of its people, just as it must have the conditions necessary for security and calm established. Prosperity, peace, democracy, coexistence among ethnic groups and the multi-ethnicity of Kosovo cannot be established by decree, since it is true that they will be the outcome of an ongoing and painstaking effort of reconciliation among all communities. That clearly means that confidence must gradually be established, that the effects of the past must be overcome and that a final

end must be put to inter-ethnic clashes. There should be a place for everyone in Kosovo, and Kosovars must realize that they have no other alternative than to live together in harmony.

The events of March were a brutal reminder of the urgent need to work to create a multi-ethnic and tolerant society, a goal which must remain the top priority and to which all efforts should aim. Dialogue and trust among all communities will help Kosovo implement standards and speed up the pace of the process that will lead to final status.

If those elements are lacking, it will be difficult to guarantee the full participation of all communities in the institutions, in the administering of political life and in the dismantling of parallel structures in Kosovo, just as it will be difficult to provide for freedom of movement for individuals and the sustainable return, in security and dignity, of displaced persons. Furthermore, distrust and the difficulties encountered in the process of reconciliation will remain an obstacle that will have to be overcome to permit the promotion of dialogue between Belgrade and Pristina, the consolidation of the rule of law, the protection of property rights and the strengthening of links among all components of Kosovar society.

The economic revival of Kosovo also requires stability and calm in order to promote domestic and foreign investment, to create jobs and to improve the social situation of Kosovars. Moreover, the development of Kosovo's economy depends on opening up regional markets to the province's products.

The implementation of the "standards before status" policy and the building of a prosperous, democratic, tolerant and multi-ethnic Kosovo should be supported politically and financially by the international community.

Mr. Motoc (Romania): At the outset, I would like to associate myself fully with the statement to be made shortly by Ambassador Ryan of Ireland on behalf of the European Union.

I would also like to thank Under-Secretary-General Guéhenno for his informative briefing on the recent, and very serious, ethnically motivated violence in Kosovo and on the launch of the Kosovo Standards Implementation Plan.

Romania has condemned in the strongest terms what happened in Kosovo in the tragic days of 17 to 20 March. Images of people forced out of their homes, assaulted and murdered, their holy sites burned and destroyed, just because they belong to a different ethnicity, do not resonate with rightful aspirations to prosperity or with the higher values of democracy and freedom for the whole of the Balkans, and they certainly do not belong to the Europe of the twenty-first century.

Once again, we urge all inhabitants of Kosovo and their political leaders to start healing the wounds and to think about a future in which such violence is inconceivable.

Romania would like to commend the men and women of the Kosovo Force (KFOR) and the law and order personnel of the United Nations for putting down the violence, limiting its already serious consequences and bringing to an end the dangerous course that the violence had taken. We also welcome the wise manner in which the Government of Serbia and Montenegro addressed that painful situation.

We support the strong measures that the international presence in Kosovo has taken to restore stability, to enhance the security and the protection of all communities and of their religious, historical and cultural sites, to bring to justice the perpetrators of the organized and targeted violence and to reinforce the rule of law and public order. In the light of the valuable though sad lessons we all have learned recently, we would like those measures to be further pursued — along with other measures, including increasing the prerogatives of local government, which is accountable to the local communities — in order to make lasting stability possible in Kosovo.

In that respect, we urge the Provisional Institutions of Self-Government to commit themselves fully and unconditionally to a democratic, tolerant and multi-ethnic Kosovo, in particular with respect to the protection and promotion of the rights and freedoms of the members of all minority communities.

Romania notes with appreciation that the Kosovo Standards Implementation Plan was finally launched in Pristina on 31 March, under the auspices of Special Representative Harri Holkeri and Prime Minister Bajram Rexhepi. We consider that the Plan, as a working and guiding document, if genuinely implemented and adequately reviewed in the light of recent events, could maximize Kosovo's progress in achieving the standards.

Romania continues to strongly support the "standards before status" policy that was devised for Kosovo in implementation of Council resolution 1244 (1999). At this stage, we consider that standards are the only sound way towards a stable Kosovo. The international community has solidly reaffirmed its commitment to that policy.

I would like to stress once again that the standards in themselves indisputably constitute values for all inhabitants of Kosovo. Romania believes, as do many other countries in South-East Europe, that the rule of law, tolerance and democracy are not merely abstract virtues but absolute prerequisites for a stable and better life. We would like the population of Kosovo to join us in that belief and to reach out for its place in Europe.

With respect to standards implementation, which we note began five years ago, we see in recent events a powerful reminder of the urgent need for progress. In a very tragic way, the violence has indicated just how much remains to be done in Kosovo to ensure that every person who lives or wishes to return there enjoys exactly the same rights, freedoms and security.

The recent, cold reality check should further focus the efforts and cooperation of all concerned. We are looking especially towards the Provisional Institutions and Kosovo's political leadership, which have a direct and democratically confirmed responsibility to all inhabitants of Kosovo.

In that respect, we also welcome the 2 April open letter by Kosovo's leaders showing their commitment and their understanding of the challenges in rebuilding relations and rebuilding Kosovo. We expect them to put that commitment into practice strongly and in a timely fashion in the course of standards implementation and by taking priority steps to help Kosovo recover from the recent violence.

Last but certainly not least, I would like to reiterate Romania's strong support for the work of the Special Representative of the Secretary-General, the United Nations Interim Administration Mission in Kosovo and KFOR as they continue to carry out their challenging tasks in Kosovo.

Mr. Sardenberg (Brazil): I thank Under-Secretary-General Jean-Marie Guéhenno for his valuable briefing on the current situation in Kosovo.

Kosovo is a key element for peace and stability in the Balkans. Brazil supports the process of peace and reconciliation foreseen by resolution 1244 (1999) and the "standards before status" policy for Kosovo.

The United Nations Interim Administration Mission in Kosovo (UNMIK) and the Kosovo Force (KFOR) have performed quite well on the ground. After five years of work, the United Nations presence has been central in the fight against crime, terror and ethnic cleansing.

However, last month the worst outbreaks of violence since the end of the conflict took place in the region, proving that extremism and separatism are still very much alive and that their proponents are anxious to take every opportunity to create further instability. Those responsible for the murderous riots must be brought to justice.

Despite peacekeeping and international police force efforts, the escalation of violence could not be avoided, and it resulted in many casualties. Moreover, in an extremely unfortunate development, KFOR soldiers and UNMIK civilian police themselves became victims of that violence. As a result, it became necessary to deploy new peacekeeping units in order to prevent further clashes. We welcome the deployment of those troops. Their presence has helped to restore calm to Kosovo, although there are still reports of looting and unrest.

The Secretary-General's Special Representative has announced the creation of a body to review the United Nations Mission's response to the recent crisis. We agree that an independent evaluation of the situation can lead to valuable suggestions for improving the effectiveness of the work of the Mission.

We remain aware of the fragility of the situation on the ground. Brutal incidents have unveiled intentions to force a solution to the status question through violence and intimidation. The international community must respond in a clear and unequivocal manner. After all, the Council has already condemned violence, particularly ethnically motivated violence. Armed groups carrying out their own agendas cannot be allowed to jeopardize the long-standing commitment of the United Nations or to derail the reconciliation process. Moreover, it is our mission to avoid the recurrence of the shameful episodes of ethnic cleansing that took place in the past.

The goal of a stable, democratic, tolerant and multi-ethnic Kosovo can be reached only through joint action. Full protection of human rights is essential to reach peace on the basis of international law. Rebuilding confidence and trust among the different ethnic communities goes in tandem with rebuilding churches and homes that were destroyed.

In this regard we welcome the launching of Kosovo's very detailed Standards Implementation Plan, which must be carried out in strict compliance with resolution 1244 (1999). The Plan sets up valuable guidelines and goals in key areas in the effort to bring peace and stability to Kosovo, such as building democratic institutions, holding locally managed elections, enforcing minorities' rights and freedom of movement and strengthening the economy. It sets the re-establishment of the rule of law as its first priority, which, given the recent events, is fundamental. In this connection we see the entering into effect of Kosovo's provisional criminal procedure code and provisional criminal code as positive developments.

Brazil has stressed on many occasions the importance of the cooperation of all parties involved — above all, cooperation between the authorities in Pristina and Belgrade. The success of the Standards Implementation Plan, which points to a truly multi-ethnic society in Kosovo, requires dialogue and the participation of all individuals and groups, including all minorities. Strong commitment to the Provisional Institutions, engagement in the political process and the adoption of economic reforms remain the only hope in the face of the resurgence of conflict.

Mr. Baja (Philippines): We thank Under-Secretary-General Guéhenno for briefing us on the situation in Kosovo and for presenting the Standards Implementation Plan. The Plan comes to us a few weeks after Kosovo was convulsed by the worst outbreak of inter-ethnic violence since the international community stepped in to restore the rule of law five years ago. The quarters for the Philippines contingent were among the structures razed, along with their belongings.

Kosovo is a conflict area where violence can be reasonably expected to be least, considering that it is an area that one might consider as being under state-of-the-art conflict resolution in this building. That is due to the fact that KFOR is there, with its power and prestige. There is the power and prestige of the United Nations Interim Administration Mission in Kosovo (UNMIK) and the United Nations. It is practically and technically under United Nations protection and has the support of the international community. Suddenly, however, those considerations were not sufficient to abort the violence. However, we commend the swift response of the Special Representative of the Secretary-General in restoring the rule of law, and we note with satisfaction that steps are being taken to prosecute the perpetrators of last month's violence. In this connection we would like to verify the reports that Kosovo is emerging as a centre of organized crime in the region and possibly as a base of operations for Al Qaeda.

Under the Standards Implementation Plan we expect the establishment of democratic institutions to move forward. It is important to pursue the holding of elections, with the participation of all communities, before the end of the year. Political transformation must keep pace with the fight to restore security. It is crucial to involve as many stakeholders in the plan as possible. Also, an effective communication strategy to demonstrate to the population the benefit of adhering to the Implementation Plan is essential.

We continue to believe that the situation in Kosovo is essentially an ethnic dilemma. The Albanians and their supporters will accept nothing less than independence and the Serbs and their supporters firmly want to remain part of Serbia, lest the Albanians remain reluctant to support rights for the Serb minority and lest the Serb minority not recognize the authority of Kosovo's institutions.

UNMIK's challenge, I think, is how to bridge the divide, how to build the trust necessary to bridge the gulf between the two communities. We went through the history of the situation, and we came across the agenda for coexistence. We were wondering how far the three major actors — Albanians, Serbia and Belgrade — have cooperated in this agenda for coexistence. Also, what is UNMIK's assessment of how far the ethnic groups — not only the leaders — have accepted the strategy of "standards before status"? We appreciate the fact that raising the status issue may radicalize all sides, but it is difficult to see how it can be avoided and wished away for a long time.

The people themselves must be able to own the strategy and the Plan so that no one feels ostracized. The challenge for UNMIK and KFOR and the rest of

the international community is how to instil sufficient confidence and trust among the peoples to overcome the vendetta and the fear resulting from the violence before, during and after the conflict. In that regard, an effective judicial system is crucial.

At the time of the Council's last briefing by Ambassador Holkeri we endorsed his plan and UNMIK's strategy of developing directly with the people their own political constituency for the reforms and the strategy for political and economic stability for Kosovo. We continue to do so.

Mr. Gaspar Martins (Angola): I would like to thank you, Mr. President, for convening today's meeting to assess the progress achieved in the implementation of the strategy of standards for Kosovo. We also thank Mr. Jean-Marie Guéhenno, Under-Secretary-General, for his briefing on the implementation of the Plan. We commend the Department of Peacekeeping Operations (DPKO) and the United Nations Interim Administration Mission in Kosovo (UNMIK) for their efforts to implement the standards for Kosovo and for their firm commitment to assist Kosovo in the achievement of such fundamental goals for the territory and for the whole region.

Peace in the Balkans is intrinsically dependant on the success of the Plan. Despite the remarkable process achieved in Kosovo since the adoption of resolution 1244 (1999), significant challenges remain. The recent wave of violence is clear testimony of the challenge we face. We deplore the loss of lives resulting from the events of last month, and we applaud the decision to rapidly deploy the international forces to guarantee the security and more stability in the territory.

Lack of security continues to be an issue of grave concern, taking into account the vital importance of this sector in insuring a lasting peace, as indicated by the Kosovo Standards Implementation Plan. The different areas of the Kosovo Standards, namely the rule of law, freedom of movement, sustainable returns, community rights, the Kosovo Protection Corps, economic reconstruction and the protection of property rights are interdependent and their implementation is mutually reinforcing. Their implementation, however, must be fully supported by the normal functioning of the Provisional Institutions. This must work in an efficient, transparent and accountable manner to expand their influence at the local level. UNMIK has a long-term commitment to assist in the normal functioning of the Provisional Institutions based on principles of democracy, the rule of law and universal standards of human rights, including women's rights and freedom from inter-ethnic discrimination. The rule of law remains a key important goal to the peace process in Kosovo. This implies the effective functioning of the police and the judicial system and ensuring that their impartiality functions with respect for human rights.

The establishment of a multi-ethnic Kosovo Police Service and a justice sector, with the capacity to exercise their responsibilities effectively and impartially, are fundamental benchmarks to be met as soon as possible, as are equality and justice for all and the end of impunity for violators. In that regard, it is important to establish a multi-ethnic Kosovo Police Service and address decisively the issue of ethnically-motivated crimes. The steps detailed in the Kosovo Standards Implementation Plan constitute an important contribution for the attainment of such goals.

The sustainability of returns and the fulfilment of rights by the different communities require the commitment of all parties involved in this process. Creating a safe environment for the return of refugees and displaced persons must, therefore, be a priority and the guarantee that the objective set by the international community for Kosovo must become a reality. The political leaders at all levels and the Provisional Institutions of Self-Government must engage in a systematic effort to build inter-ethnic tolerance to promote reconciliation and to ensure freedom of movement for all citizens of Kosovo. It is absolutely necessary to guarantee conditions for the sustainable return of refugees and displaced persons and for the well-being of the entire population of Kosovo through the creation of jobs and economic development of the region.

My delegation, therefore, calls upon all the parties to develop and intensify a constructive dialogue between Belgrade and Pristina in order to achieve concrete and tangible results aimed at overcoming the great challenges faced by Kosovo, thus allowing each inhabitant of Kosovo conditions for living in a homeland in peace and dignity.

In conclusion, we would like to urge all concerned in Kosovo and in the region to cooperate in a constructive manner with the Special Representative of the Secretary-General in the full implementation of

the standards-for-Kosovo strategy in order to achieve stability, prosperity and a multi-ethnic, multicultural democratic society in Kosovo.

Mr. Adechi (Benin) (*spoke in French*): I wish to thank Mr. Guéhenno for the briefing he has just given us on the developments in the situation in Kosovo.

The violence that broke out in March this year show that the situation in the province is so fragile that the slightest incident can lead to an explosion of widespread inter-communal violence. That means that Kosovo continues to experience a deep-seated malaise that must be monitored by all institutions. We wish to commend the prompt response of the Kosovo Force (KFOR) and the United Nations Interim Administration in Kosovo (UNMIK), which has made it possible to stabilize the situation and limit the damage.

We reiterate our condemnation of ethnic cleansing and the deliberate destruction of cultural property, which constitute a serious violation of the heritage of the communities living in Kosovo, as well as of the common heritage of humanity. We believe it is imperative that the perpetrators of those acts be identified and that the most vigorous measures be taken to find them, because impunity will only encourage a relapse into similar acts that would be harmful to peace and security in the province. That is why we welcome the investigations under way and stress the need to conduct them objectively so that they may contribute to calming tensions among all the communities concerned.

In that regard, we welcome the adoption of the standards-before-status policy, which deals in detail with actions to be taken, on the identification of competent frameworks in which to carry them out and on the means and timetables prescribed to implement them. However, following the tragic events of last March, a review of policy measures is also necessary. In view of the recent events in Kosovo, we welcome the fact that firmly reaffirmed in that plan is the guiding goal of the standards-before-status policy: the creation of a multi-ethnic Kosovar society that is inclusive, free from discrimination and within which all communities feel that they are effectively participating in the management of public affairs.

The need for unequivocal commitment by the Kosovo Provisional Institutions of Self-Government, with a view to achieving that goal has been correctly translated into very significant concrete actions, such as the creation of a reconstruction and rehabilitation fund under the consolidated budget of Kosovo to repair destruction and damage caused by the events and envisaging the adoption of regulatory and legislative measures to protect the right of property and to facilitate the return of displaced persons to the province.

The major challenges that KFOR and UNMIK must face together, as well as the Provisional Institutions of Self-Government, remain ethnic hatred and the question of parallel Serb structures in the province. We believe that the decision to integrate the parallel institutions into the new institutions of Kosovo is sound and that the cooperation of Belgrade authorities should be sought so that that can be done without difficulty. We welcome the priority given to restoring the dialogue with Belgrade by establishing working groups on basic issues that have been identified.

We believe it is extremely important that the elections scheduled for next fall take place under optimum conditions of security, fairness and transparency. The decision to gradually hand over responsibility to the Central Electoral Commission to manage the elections is wise because it will contribute to ownership of the electoral process by the communities living in Kosovo. The ability to integrate refugees and displaced persons in the province into the process will, in our view, make it possible to ensure credibility of the elections, which must strengthen the conviction that each community is effectively exercising its right to participate in the management of public affairs in the province.

In conclusion, we welcome the positive role being played by the Kosovo Protection Corps, alongside KFOR, in events and the measures envisaged to strengthen its contribution to stabilizing the situation in the province in the sound interest of all components of Kosovar society.

Mr. Gatilov (Russian Federation) (*spoke in Russian*): We, too, are grateful to Mr. Guéhenno for his comprehensive briefing.

The Russian Federation is deeply concerned by developments in Kosovo, Serbia and Montenegro. The sudden outbreak of violence in March, caused by extremists in that province, laid bare the deliberate policy of ethnically cleansing the non-Albanian population of Kosovo, particularly the Kosovo Serbs.

Russia has repeatedly warned against the danger of such a development. Nevertheless, this alarming trend, which has gained in urgency in recent years, was, unfortunately, not adequately responded to by the international presences in the province. Today, it has become definitively clear that the United Nations Interim Administration Mission in Kosovo (UNMIK) should have been more decisive from the very outset in stopping the extremists among the Kosovo Albanians from acting to establish a mono-ethnic society.

The main reasons for this situation are clear: the failure to implement Security Council resolution 1244 (1999); the desire of a number of participants in the Kosovo settlement to indulge in wishful thinking; and the attempt to inculcate high democratic standards in the province without taking the real situation into account.

The current crisis requires the most serious analysis of events and major adjustments to the future strategy for a settlement. We cannot pretend that nothing serious has happened. Promoting the process of creating standards in Kosovo without addressing the problems that have emerged as a result of the events of 17 to 20 March is unacceptable. We need above all a thorough investigation into the incidents and to prosecute the instigators of the pogroms, as well as all those who aided and abetted them or facilitated through their inaction, particularly since many of these people are well known. It is important to establish tighter control over the activities of the Provisional Institutions of Self-Government in the province and to provide for the effective collection of illegal weapons, large amounts of which remain in the hands of the extremists.

We believe that, in the light of those events, all the talk about a timetable for the final status of Kosovo is highly inappropriate. Frankly, we were surprised recently to hear statements about the need to accelerate talks on the status of the province, which is being virtually cast as a recipe for normalizing the situation there. We are convinced that, on the contrary, this approach would lead to further complications and actually encourage new pogroms and ethnic cleansing.

We were genuinely puzzled to hear the statement made on 9 April by the Special Representative of the Secretary-General for Kosovo, Mr. Holkeri, to the effect that the Security Council had previously endorsed the date for the consideration of the question of the future status of Kosovo. Obviously, this is a distorted interpretation of the contents of the Security Council resolution on the review mechanism for standards implementation in the province, as set forth in the presidential statement of 12 December 2003.

As we have said before, the logic of a Kosovo settlement in no way includes the hasty imposition of the Kosovo Standards Implementation Plan, as has been done without prior submission of the Plan to the Security Council, as required in the presidential statement to which I referred. We are convinced that the Plan requires thoroughgoing revision. There is a substantial need to reinforce its provisions in the areas of providing equal security, freedom of movement and the rights and freedoms of ethnic minorities. Efforts must be made to restore direct dialogue between Belgrade and Pristina.

At the same time, it is important to begin joint consideration of options for a long-term normalization of the situation in Kosovo. A key element of such work should be the thorough consideration of the idea of decentralizing the administration of the province in order to provide solutions that take the interests of all Kosovo communities into account and that, through the necessary institutional guarantees, create — in deed and not in words — conditions for their coexistence in a multi-ethnic, democratic society.

Russia is providing assistance to the civilian population of Kosovo that has been driven from its homes, and we are prepared to engage in very close cooperation with our partners in the Contact Group and the Security Council, as well as with the European Union, in order to put a swift end to the tragedy in the Balkans and to move the situation towards the context defined in Security Council decisions. It is most important that joint efforts be made consistently and comprehensively to implement resolution 1244 (1999), which remains the sole legal basis for a Kosovo settlement.

We hope in this regard that the most serious conclusions will be drawn from what has occurred, allowing us to avoid double standards and to focus the attention of the international community on a just settlement of the Kosovo problem, which is so crucial for Europe.

Mr. Duclos (France) (*spoke in French*): My delegation fully associates itself with the statement to be made in due course by the Ambassador of Ireland on

behalf of the European Union. I would just add a few words.

First, the events of March definitely represented a serious blow to the process supported by the international community in Kosovo. We are grateful to Mr. Jean-Marie Guéhenno for his frank and very useful briefing this morning.

It seems to us that — as the Under-Secretary-General emphasized — it would be helpful to undertake a process of collective soul-searching about what happened during the recent violence. The main lesson is doubtless an understanding that, even today, the role played by extremist forces in Kosovar society remains extremely significant and that we must make a renewed effort to isolate those extremists from the majority population that seeks a democratic Kosovo.

The second lesson unquestionably relates to the attitude to the international presences in Kosovo. In this regard, we agree with Mr. Guéhenno's statement. We welcome the review process to determine how we arrived at this point. I am sure that the United Nations Interim Administration Mission in Kosovo (UNMIK) and the Kosovo Force reacted promptly and appropriately during those events, although UNMIK appeared to have been taken by surprise. We might wonder, therefore, whether UNMIK has the kind of dialogue and close relationship with Kosovar society that is necessary to its ability to fulfil its crucial job there in implementing policy.

We also might question the nature of the economic plan for Kosovo because, as was indicated by our British colleague, there is no doubt that the deplorable economic environment in Kosovo contributed to the violence that we observed. But apart from this useful collective soul-searching, what should we do in the coming stages?

First of all, we, like others, think we now need to reassure the Serb minority, see to it that the property that was destroyed can be rebuilt, implement a policy for refugees who want to go back home, give assurances to the Serb community regarding security, and see to it that those responsible for the violence are prosecuted and punished.

Secondly, of course we need to look to the provisional authorities of Kosovo, who must adopt a responsible attitude. We are not against a transfer to the provisional authorities of greater responsibility in a certain number of specific areas, but it must be clear that it is the provisional authorities of Kosovo who are the first ones responsible for restoring a climate conducive to progress in Kosovo. Here, like others, we welcome the open letter of 2 April and hope that the positive commitments that it contains will be backed up by specific action.

Thirdly, should we change our approach to the Standards Implementation Plan? We do not think so. Like others, we are in favour of continuing with the current process. We have taken note here of the Standards Implementation Plan that was submitted by the Special Representative on 31 March. It seems to us to be a useful document and we are prepared to work on it. I am sure that that document needs to highlight, in the current context, a number of points, such as the rights of minorities, human rights and the rule of law. I also think that it is important that this document not give rise to any ambiguity with regard to the meeting scheduled for 2005. As was indicated by the Security Council in its statement of 12 September, only sufficient progress by the Provisional Institutions in implementing standards will make it possible to get the discussion going.

Finally, we are prepared to work on a presidential statement, which seems to us very useful for again stressing a number of messages from the Security Council and the international community in the current circumstances: a message to condemn the violence and a message to express a hope for the future.

Ms. Menéndez (Spain) (*spoke in Spanish*): Naturally, Spain also associates itself with the statement to be made by the Permanent Representative of Ireland on behalf of the European Union.

Very important events have taken place in Kosovo in recent weeks — the inter-ethnic violence, from 17 to 20 March, and the publication of the Standards Implementation Plan for Kosovo.

As to the former, Spain unequivocally condemns the ethnic violence that led to loss of life, destruction of property and religious and spiritual heritage of Orthodox Serbs, and the attacks on KFOR and on the United Nations Interim Administration Mission in Kosovo (UNMIK). These events must be investigated and the perpetrators brought to justice in order to prevent a recurrence. What has happened is a serious setback in the process of normalization and the fulfilment of the standards for the province of Kosovo.

We believe that authorities of the Provisional Institutions of Self-Government should take good note of this and make it their duty to do everything within their power to guarantee the rights of members of all minorities in Kosovo. The perpetrators of these violent acts must be made aware that force is never a means to achieve political goals.

Regarding the Implementation Plan, we repeat our support for the "standards before status" policy, which remains the core of the international community's activity in Kosovo. Accordingly, the publication of the Plan means a step forward in the fulfilment of the standards. But we believe that this should not induce anyone to think that everything is going on as usual, just as before, because the violence of March has done serious damage to the fulfilment of the standards, and therefore to the Plan. Accordingly, we believe that the Special Representative of the Secretary-General and UNMIK should be invited to review and, if necessary, strengthen those aspects of the Plan that have been most seriously hampered by the events of March, especially as regards the return of refugees and freedom of movement.

Finally, we reiterate our support to Mr. Holkeri, UNMIK and KFOR in their efforts to ensure application of resolution 1244 (1999). We believe that the Provisional Institutions of Self-Government need to be reminded of their primary and fundamental responsibility to ensure fulfilment of the provisions of the Implementation Plan.

Mr. Maquieira (Chile) (*spoke in Spanish*): We are grateful for the briefing given us by the Under-Secretary-General for Peacekeeping Operations, Mr. Jean-Marie Guéhenno. We have been made aware of the delicate situation of recent weeks in Kosovo. I should like, through him, to convey to Mr. Holkieri, Special Representative of the Secretary-General, and all the personnel of the United Nations Interim Administration Mission in Kosovo (UNMIK), our support in their efforts to fulfil resolution 1244 (1999).

We have been following the events and violence in Kosovo with great concern. We reiterate that those responsible for those despicable acts must be brought to justice. Those acts have led to deeply regrettable loss of human life, hundreds of people injured and enormous material damage. We must prevent impunity from taking a grip in Kosovo. Let me once again repeat Chile's most vigorous condemnation of these acts.

It is too soon to reach definite conclusions about what has happened. However, we would urge that an assessment process of this crisis continue with a view to learning lessons and making such adjustments as might prevent the recurrence of such deplorable acts. We recognize the efforts made in this regard, both by UNMIK and by the Provisional Institutions of Self-Government. What is clear is that if the international community were to hesitate today in its efforts to achieve a democratic, multi-ethnic Kosovo, in keeping with resolution 1244 (1999), the perpetrators will have won.

The Kosovo Standards Implementation Plan presented in March is a key instrument in achieving the standards contained in the document "Standards for Kosovo" published in December of last year in Pristina and endorsed by the Council at that time. The Kosovo Standards Implementation Plan, the legal basis and guidelines for which are contained in the document "Standards for Kosovo", envisages a genuinely multi-ethnic, stable and democratic Kosovo. Everyone must contribute to this undertaking. Cooperation between the Provisional Institutions of Self-Government and UNMIK will be fundamental for implementing the Standards Implementation Plan. Belgrade's contribution is also crucial.

The value of the Implementation Plan resides in the set of guidelines that it provides to achieve a quantitative and qualitative assessment of concrete improvements regarding the standards. Future reviews will be a fundamental aspect of this. We look forward with great interest to these results regarding what has been achieved.

We repeat that, without a significant and sustainable return of internally displaced person and refugees despite the recent setbacks, without appropriate freedom of movement, without the disappearance of the parallel institutions and without constructive dialogue between Belgrade and Pristina and between UNMIK and the Kosovo Assembly, the construction of a multi-ethnic and democratic society that can include all the inhabitants of Kosovo, without exceptions, will not be possible.

Mr. Akram (Pakistan): We are grateful to you, Mr. President, for convening this meeting today on the situation in Kosovo. I would also like to thank Mr. Jean-Marie Guéhenno for his briefing on the latest situation in Kosovo.

Like other Council members, Pakistan has strongly condemned the violence of 17 and 18 March, which claimed at least 19 lives. We condemn not only the loss of life and the injuries, but also the damage to Kosovo's cultural and religious sites during the onslaught. We are happy that the United Nations Educational, Scientific and Cultural Organization is working with the local authorities in Kosovo to rebuild some of those sites. We commend the efforts of the United Nations Interim Administration Mission in Kosovo (UNMIK) and the Kosovo Force (KFOR) in restoring stability in Kosovo. We appreciate the effective way in which the Special Representative of the Secretary-General, Mr. Holkeri, helped to defuse this very difficult situation. In that regard, we support Mr. Holkeri's request for additional police investigators and prosecutors for UNMIK. We hope that UNMIK will continue its investigations into the causes of the violence and, in due course, report to the Council on its findings. We also commend all those in Kosovo who have strongly condemned the violence and have called for calm and reconciliation.

Some have described last month's violence as a wakeup call. Pakistan has been one of those few countries that have consistently called for the clarification of the final political status of Kosovo — and perhaps the lone voice in the Council to do so. Let me be clear: violence must not be rewarded. There must be no impunity for those who carried out these acts, whether Albanians or Serbs. Nevertheless, the longer any movement towards status is delayed, the more the delay will continue to feed into the frustrations of one side and the nationalist rhetoric of the other and the more it will perpetuate the cycle of violence. Such violence will keep repeating itself unless and until some solution is found to the thorny issue of status. We will say this again, as we have said before, the key to peace and prosperity lies in clarifying Kosovo's final political status.

Pakistan's position on status is independent of our support for standards. We take note of Mr. Holkeri's recent remark that "the standards are not an obstacle to Kosovo's progress". In our view, they are not meant to be. We agree that the establishment of a multi-ethnic, tolerant, democratic and peaceful society in Kosovo remains a fundamental objective in the implementation of resolution 1244 (1999). We welcome the announcement of the Standards Implementation Plan by Mr. Holkeri in Pristina on 31 March. The Plan identifies policies in each of the eight standards, policies that have to be implemented by certain deadlines, along with assigned responsibilities. The Plan is to be implemented by the Provisional Institutions of Self-Government of Kosovo, through the support and assistance of UNMIK and the international community.

However, Pakistan is concerned that not every community has participated in the preparation of the Implementation Plan. We hope that, later, this will not be put forward as an obstacle in the implementation of the plan. We are also concerned that the policy on two of the most important standards — relating to returns and to freedom of movement — has not as yet been finalized. These are crucial areas, on which we hope early progress can be achieved. Also crucial is the need to revive the dialogue between Pristina and Belgrade, which, as Mr. Guéhenno said, is currently on hold. Like others, we are still in the process of studying the Implementation Plan. At this point, we wish to offer our initial, though cautious, support for it — but with the following caveats.

First, the lack of support by any community or party must not be allowed to be used as an excuse to delay the achievement of standards or to prevent progress towards the finalization of the status issue in the future. Secondly, in implementing the plan, the bar should not be set so high that most countries represented in the Organization, including those in the European Union, would have difficulty in meeting those standards. Finally, the Plan should remain realistic and achievable. In that regard, we are happy to note Mr. Holkeri's observation that

> "The plan overall is a living document: it will be revised as time goes on. This makes sense, because some policies may not work and we may need new ones".

We understand that the Contact Group on Kosovo is preparing a presidential statement on Kosovo. We look forward to working with other Council members to finalize such a statement. While we support the efforts of the Contact Group and understand the delicacy of the situation, we nevertheless would encourage the Group to consult more widely than they have been with other Council members when preparing such documents. The automatic concurrence of other Council members, who may have their own views on the issues involved, should not be taken for granted.

Mr. Zhang Yishan (China) (*spoke in Chinese*): I would like first to thank Under-Secretary-General Guéhenno for his briefing on the situation in Kosovo, Serbia and Montenegro.

The large-scale violent inter-ethnic conflict that took place in Kosovo last month seriously undermines the peace process in Kosovo and the international community's efforts there. Although the situation has eased somewhat, it remains extremely precarious. We deplore the violent acts against Kosovo Serbs and the destruction of religious and cultural facilities described by Under-Secretary-General Guéhenno in his briefing.

We urge the parties concerned to discover the truth about those events as soon as possible and to bring the perpetrators to justice. We hope that the United Nations Interim Administration Mission in Kosovo (UNMIK), the Kosovo Force (KFOR) and the Provisional Institutions of Self-Government will adopt further measures to strengthen the rule of law, improve public order, ensure the safety of all ethnic communities, especially minorities, and guarantee the right of return and freedom of movement. We call on the parties concerned also to continue their commitment to ethnic reconciliation in order to create conditions for the establishment of a multi-ethnic society in Kosovo.

We have always maintained that the solution to the Kosovo problem should be based on resolution 1244 (1999) and the principle of "standards before status". That is the common understanding of the entire international community as well. We note that UNMIK has formulated the Kosovo Standards Implementation Plan and intends to revise it further. We hope the Plan will help Kosovo achieve substantial progress in the political, economic and social fields.

I stress once again that political dialogue is the only right way to solve the Kosovo problem. Violence will not help to find a solution to the problem and is in no one's interest. We hope that Belgrade and Pristina will resume their dialogue as soon as possible and resolve their differences through patient negotiations.

Mr. Cunningham (United States of America): I too thank Under-Secretary-General Guéhenno for his briefing to the Council this morning. I want to join other Council members in saying that the recent violence in Kosovo was deplorable and should never be repeated. Such violence is a dead end for the people of Kosovo and for the people of the region. I would like to extend once again the condolences of my Government to those who suffered injury, to the families of those who died and to those who lost property. Our hearts go out to the families for what they have suffered.

We are pleased to see that the United Nations Interim Administration Mission in Kosovo (UNMIK) and the Kosovo Force (KFOR) have already arrested nearly 180 suspects in relation to the violence. Those responsible for the killings and destruction must face justice, and the authorities in Kosovo should apprehend those responsible and bring them speedily to trial.

I would also like to commend those who stood up to stop the violence. The quick response by UNMIK and KFOR helped quell the violence, and the brave soldiers, policemen and others involved deserve our thanks. Most of the leaders of Kosovo's Provisional Institutions of Self-Government reacted responsibly by condemning the violence and urging the people of Kosovo to solve their problem peacefully. Prime Minister Rexhepi showed leadership in his calls to stop the violence, as did those leaders in Belgrade who called for calm.

Further destruction to Kosovo's patrimonial sites was prevented by rapid KFOR intervention, including the addition of more than 3,000 reinforcements sent to Kosovo. According to UNMIK, more than 22 churches were nonetheless destroyed and another 11 were damaged due to the initial outbreak of violence. We encourage KFOR, in coordination with UNMIK and the Kosovo Police Service, to ensure protection of Kosovo's cultural and religious sites, and we urge the Provisional Institutions to follow through on promised reconstruction efforts to rebuild damaged churches and homes.

The violence was clearly a setback in Kosovo's development into a society that can become part of Europe. It was also a challenge to the international community. The United States remains fully committed to multi-ethnicity, peace, prosperity and democracy for Kosovo. We will not allow the violence to divert us from holding Kosovo responsible for fulfilling the United Nations standards, which will create a democracy, peaceful multi-ethnic life and the rule of law: the preconditions the international community has set for initiating a process to determine Kosovo's future political status.

We support the review date policy and a comprehensive review of Kosovo's progress on implementing the UNMIK standards in mid-2005, or earlier if progress warrants. Those who believe that violence can be used to further a political agenda should know that the United States and the international community will not pursue a final status decision until Kosovo can ensure a peaceful and secure environment for all its communities. We remain committed to the fulfilment of the standards, which represent the only path for Kosovo towards a process of determining its future political status.

The standards remain the way ahead, but we cannot continue as if nothing had happened. The recent violence made clear that an intensified effort is required in Kosovo. In that regard, we welcome the issuance last month of the Kosovo Standards Implementation Plan, which lays out the specific steps that must be taken to implement the standards. The Plan also specifies which steps should be taken as a matter of priority in the light of the recent violence. The Contact Group will be meeting in Pristina later this month to support UNMIK and to assess the situation directly. A stepped-up effort on standards implementation in Kosovo should focus on issues of immediate impact highlighted by the violence, in particular establishing the rule of law and apprehending and prosecuting perpetrators, as well as the rapid rebuilding of private and religious properties that were damaged and destroyed.

On a more general level, it is clear that Kosovo must work doubly hard to ensure security for all communities and must consider the devolution of authority to establish more effective local government.

It is worth recalling the goal set out in the United Nations standards: a Kosovo where all, regardless of ethnic background, race or religion, are free to work and travel without fear, hostility or danger, and in which there is tolerance, justice and peace for everyone. If the people of Kosovo are ready to move forward on the standards, the United States, working with the United Nations, NATO and the European Union, is ready to help Kosovo succeed in building a better future.

The President: I shall now make a statement in my capacity as the representative of Germany.

First, I should like to thank Under-Secretary-General Jean-Marie Guéhenno for his very comprehensive briefing.

Secondly, I would like to state that Germany fully subscribes to the statement that the representative of Ireland will make shortly on behalf of the European Union.

Last month, violence forced all parties involved in Kosovo — local political leaders, as well as the international community — to make a sober appraisal of the policies they have been pursuing up until now. Clearly, the lesson to learn is not that we should give up our aim of building a democratic and tolerant Kosovo. On the contrary, the violence highlighted the stark choice between a civilized society and one where extremists influence the people. We must now be clear about what is demanded of all parties in order to realize our goals.

For the political leaders in Kosovo, the most important lesson is that they must leave no doubt about their commitment to protecting minorities and to building a multi-ethnic society. The recent letter of Kosovo Albanian political leaders to the people of Kosovo was an important gesture. But now, words need be followed by deeds.

Political leaders must also be unequivocal about their determination to isolate and punish violent extremists. They must explain the rationale of reconciliation to their constituents and be prepared to pay the political costs. Funding the reconstruction of all the destroyed houses and churches out of the Kosovo consolidated budget may not make the leaders of the Provisional Institutions of Self-Government more popular with their constituents, because other high priority tasks must be deferred as a consequence. Nevertheless, all the houses and churches have to be rebuilt.

Sending extremists to prison and purging the parties and governing structures of extremist influence may also cost political leaders some support. Firing those officers of the Kosovo Police Service who failed to protect minorities may also be politically unpopular. But all those steps are essential in order to create a stable society.

One especially important area for improvement is bringing government in Kosovo closer to local communities through devolution of political authority.

Local communities in Kosovo need to have a greater say over institutions such as schools to ensure that government is responsive to local needs. As a by-product of such devolution of government authority, illegal parallel structures can be eliminated. We will continue to promote devolution as a way to create more stable and effective local government in Kosovo, which is also in the interest of minorities.

The international community must also make its own commitment clear. First, we must reaffirm that our commitment to the minority communities of Kosovo is iron-clad: our troops, our international police and elements of our apparatus of civilian administration will stay in Kosovo in adequate numbers until all Kosovars can live in freedom and security. Secondly, we must make it clear that we are acutely sensitive to the difference between lip-service to ideals and the actual fulfilment of standards, and that we will accept only concrete actions and tangible progress. And lastly, we will also have to analyse why, five years after the suffering of the Kosovo Albanian population was stopped, hatred in Kosovo is still so strong, and identify what can be done by the international community to help achieve reconciliation among all communities in Kosovo.

I now resume my functions as President of the Security Council.

The next speaker is the representative of Serbia and Montenegro, on whom I now call.

Mrs. Ninčić (Serbia and Montenegro): Allow me, Sir, to congratulate you on your assumption of the presidency of the Security Council for the month of April and to thank you for convening this meeting on the implementation of Security Council resolution 1244 (1999). I would also like to sincerely thank Under-Secretary-General Guéhenno for his briefing.

Efforts to transform the western Balkans into a region of stability and progress suffered a serious setback with the outbreak of orchestrated violence, intimidation and ethnic cleansing that Kosovo Albanian extremists and terrorists committed in Kosovo and Metohija from 17 to 20 March, in the presence of the United Nations Interim Administration Mission in Kosovo (UNMIK) and KFOR.

According to resolution 1244 (1999), the international security presence is mandated to establish a secure environment where refugees and displaced persons can return home in safety. By the same resolution, the international civil presence is mandated to maintain civil law and order, protect and promote human rights and assure the safe and unimpeded return of all refugees and displaced persons to their homes. Both have failed to fulfil those obligations.

My Government takes note of Mr. Holkeri's announcement that UNMIK is determined to bring to justice all persons whose involvement in the latest violence can be evidenced. We will welcome the commencement of trials against perpetrators of those crimes. There was ample opportunity in the five years of international administration of Kosovo and Metohija to demonstrate that a culture of impunity for ethnically motivated violence would not be tolerated. This may be one of the last opportunities to prevent impunity leading to a mono-ethnic society.

Serbia and Montenegro also appreciates pledges to rebuild devastated homes, churches and villages. Only if those assurances speedily become reality will there be room for assessments that the extremists who caused the violence did not win.

The March violence in Kosovo and Metohija has been widely condemned. However, we feel it necessary to point out that this bloodshed was not an abstract phenomenon requiring only general expressions of censure. My Government expects the next report of the Secretary-General to assess the political background of this pre-planned violence. Disregarding the causes of an organized wave of attacks leaving many civilians dead, hundreds wounded, thousands expelled from destroyed and burning homes and dozens of Orthodox churches and monasteries devastated will not lead to safety, stability and reconciliation.

Since June 1999, the Serb community and other ethnic communities have been exposed to daily attacks and intimidation by extremists among the majority population of Kosovo Albanians. After the tragic events of last month, it is clear that what is at stake in Kosovo and Metohija is not safeguarding the rights of the members of the Serb community, but ensuring that community's very physical survival.

In such circumstances, it is difficult to envisage the smooth and rapid implementation of the concept of a democratic, multi-ethnic and prosperous society advanced in the "Standards for Kosovo" and Kosovo Standards Implementation Plan documents. Those documents quite simply fail to provide sufficient

guarantees for the survival of the Serb population in the province, let alone for returns. The failure to establish such guarantees would signify an end to the possibility of a multi-ethnic Kosovo — in the very presence of the international community, which would share responsibility for that outcome.

Therefore, we need to have real security and reliable institutional guarantees for the Serb and other ethnic communities in Kosovo and Metohija. It is essential that the particularly vulnerable ethnic communities enjoy meaningful autonomy in Kosovo and Metohija in order for them to be able to protect their lives and property, to ensure freedom of movement and employment opportunities and to gradually build possibilities for coexistence with the majority population. Proceeding from that reality, both the Government of Serbia and all relevant political factors in the Republic consider that the survival, return and peaceful life of Serbs can be guaranteed only if they are granted self-government in Kosovo and Metohija in the form of territorial autonomy, which is a long-established mechanism for the protection of the rights of ethnic, cultural and linguistic communities in Europe.

Such a proposal has been developed by the Government of Serbia and will soon be presented to all domestic and international actors. The proposal deals with ways to improve the conditions of the Serb community in Kosovo and Metohija and to enable its members to administer affairs of vital importance to their livelihood. It does not raise or prejudge in any way the issue of the future status of Kosovo and Metohija as envisaged by Security Council resolution 1244 (1999). It is violence and the repeated calls for independence by Kosovo Albanian leaders that seek to prejudge final status.

The Government of Serbia and Montenegro and the Government of Serbia oppose changes of borders in the Balkans, well aware of the consequences these have had over the past decade and of the consequences they may have in the future. Both Governments are looking to a future marked by a process of integration rather than of disintegration.

My Government therefore expects the Security Council to support proposals aimed at providing the non-majority ethnic communities of Kosovo and Metohija with institutional guarantees to ensure their survival, their return, their rights and their cultural and religious heritage. We also believe it is necessary to resume the Belgrade-Pristina dialogue on practical issues. We look forward to evidence of similar commitment from the Provisional Institutions of Self-Government — which has been so consistently elusive in the past.

The President: The next speaker is the representative of Ireland. I invite him to take a seat at the Council table and to make his statement.

Mr. Ryan (Ireland): I have the honour to speak on behalf of the European Union. The acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia, the candidate countries Bulgaria, Romania and Turkey and the countries of the European Free Trade Association Iceland, Liechtenstein and Norway, members of the European Economic Area, declare that they align themselves with this statement.

I would like to thank Under-Secretary-General Guéhenno for his comprehensive briefing.

The European Union is grateful for this opportunity today to consider the situation in Kosovo. The Union has strongly condemned the recent ethnically motivated violence in Kosovo, the loss of life, the damage to property and the destruction of religious and cultural heritage, which is the common property of all Europeans. The Union has also strongly condemned the attacks on the troops of KFOR and the personnel and sites of UNMIK. The European Union calls on all leaders, especially the Kosovo Albanian leadership, to take responsibility for the situation and to ensure that such acts and threats of violence are not repeated. Those responsible for the violence must be brought to justice.

We call on the Provisional Institutions of Self-Government to demonstrate their commitment to a multi-ethnic Kosovo. As an immediate step, we welcome their decision to allocate funds for reconstruction and we urge them to take further responsibility for the urgent reconstruction of damaged property, including places of worship, to ensure the earliest possible return for internally displaced persons. We also stress the need for political leaders in Kosovo to work closely with UNMIK and KFOR to ensure the physical security and the full protection of the rights of members of all communities in Kosovo.

The recent events have been a serious setback for Kosovo and have endangered the progress made in recent years. The European Union reaffirms its strong support for Special Representative of the Secretary-General Harri Holkeri, UNMIK and KFOR in their determined efforts to stabilize the situation and to ensure the implementation of Security Council resolution 1244 (1999) and the policy of standards-before-status. These remain the foundation of the international community's commitment to Kosovo. The path ahead for Kosovo lies in the implementation of the standards. In this regard, we take note of the presentation on 31 March of the Kosovo Standards Implementation Plan as a step forward in the standards process. We reiterate the European Union's commitment to a stable future for a secure, democratic, prosperous and multi-ethnic Kosovo, with its place in Europe.

The President: The next speaker on my list is the representative of Japan. I invite him to take a seat at the Council table and to make his statement.

Mr. Haraguchi (Japan): Let me say at the outset that Japan would like to express its deepest concern over the violence that erupted last month in Kosovo. To aid us in understanding why this occurred once again, despite all the international efforts that have been made to create stability and bring life there back to normal, we hope that, in his next report, the Secretary-General will provide us with a comprehensive evaluation of the incidents and an assessment of measures taken by the United Nations Interim Administration Mission in Kosovo (UNMIK) during the violence, perhaps building upon today's substantial briefing by Mr. Guéhenno.

Japan wishes to make two points about the violence in Kosovo, which, it believes, should be seriously considered by all members of the international community.

First, the most important lesson we learned from the violence is the need for redoubled efforts towards the establishment of a multi-ethnic society; there is no alternative to the implementation of the Kosovo standards in reaching this goal. We express our support for UNMIK and the Provisional Institutions of Self-Government in the implementation of its standards and appeal to the international community to express its support for the recently publicized Kosovo Standards Implementation Plan.

Secondly, the violence demonstrated the increased need for security in Kosovo. My Government expresses support for the Special Representative of the Secretary-General Harri Holkeri, UNMIK and KFOR in their strengthened efforts to stabilize the situation immediately after the violence. At the same time, on the basis of the assessment of the measures taken by UNMIK before the violence, we need to give serious thought to how we can improve the security situation in a sustainable manner. One of the most immediate tasks should be upgrading the Kosovo security organizations, including the training of police officers. Japan has been cooperating with the United Nations Development Programme through the Illicit Small Arms Control Programme and the Trust Fund for Human Security and calls on all Member States to join us in similar efforts.

On 5 April, Japan hosted in Tokyo the Ministerial Conference on Peace Consolidation and Economic Development of the Western Balkans. Kosovo was one of the most important issues discussed. Many of the participants condemned the recent violence, urged that steps be taken to prevent ethnically-motivated violence and expressed support for the restoration of the security situation by UNMIK and KFOR and for the Kosovo Standards Implementation Plan. These remarks were reflected in the Joint Conclusions of the Conference.

For its part, my Government intends to adhere to its commitment to achieving stability and prosperity in South-Eastern Europe, in cooperation with the rest of the international community. It is our firm belief that stabilizing the situation in Kosovo is essential to the stability of the entire region.

The President: The next speaker on my list is the representative of Albania. I invite him to take a seat at the Council table and to make his statement.

Mr. Nesho (Albania): Allow me, at the outset, to congratulate you, Sir, on your presidency of the Security Council and to wish you every success.

I would also like to thank Under-Secretary-General Guéhenno for his comprehensive briefing and substantive remarks.

The violent events in Kosovo last month, already strongly condemned by broad international opinion as well as by the Kosovo people and their institutions, indicate that both its democratic process and its future cannot and should not be allowed to be taken hostage by extremists of any side, nor by old nationalistic ideas

or by scenarios that may try to exploit and flourish in destabilized situations.

On the other hand, as clearly defined in Security Council resolution 1244 (1999), in the document on standards and other acts of the Security Council, Kosovo's future lies in the building of a free, multi-ethnic and democratic society in a country that aspires to its place within the European family. The presence and the efforts of the United Nations Interim Administration in Kosovo (UNMIK) and KFOR clearly reflect the determination of the international community in that direction.

The Government of Albania reaffirms its appreciation for the work of UNMIK and the Special Representative of the Secretary-General, Mr. Holkeri, and reiterates its continuous support for their mission in Kosovo. Albania commends NATO's quick response in sending additional peacekeepers to Kosovo as a clear indication of its commitment to protect peace and stability in the region.

We have praised, as a correct reaction, the critical analysis of the situation by the Provisional Institutions of Self-Government in Kosovo, as well as the public commitment of the Government and Prime Minister Rexhepi to rebuild the houses and the Orthodox churches damaged during the violence. The Albanian Government has immediately offered its contribution to that endeavour. For Albanians, religious cults are part of our common civilization and our cultural identity, and not symbols of division and hatred.

The Albanian Government believes that the people of Kosovo and their institutions will increase their respectability by helping to bring to justice the perpetrators of the violent events.

We are confident that Kosovo will continue to cooperate closely with the international community, UNMIK in particular, for the implementation of the political process as defined in the Kosovo Standards Implementation Plan. Continuation of this process for meeting the standards requires the support and contributions of all communities to help restore confidence and establish a constructive dialogue. A multi-ethnic society in Kosovo can be the product only of a sincere and broad commitment of the entire spectrum of Kosovar society, including minorities.

The accomplishment of the Security Council's objectives for Kosovo and the process ahead demand serious efforts by all the relevant actors, including the international structures there. They all — Kosovars and their Provisional Institutions first and foremost — should cautiously and courageously draw the right lessons from the recent sad events. They should all redouble their efforts for the implementation of the standards, revitalize dialogue between Pristina and Belgrade, and adjust their approaches and strategies to have a more practical impact on the daily lives of all citizens in order to help achieve a clearer perspective and to speed up the fulfilment of the standards.

These accomplishments also require the strengthening of institutional cooperation. We think that transferring greater power to the Provisional Institutions of Self-Government of Kosovo will raise their sense of obligation and responsibility for the better functioning of the rule of law, the fight against organized crime and the protection of human rights and minorities.

Albania is concerned by the increasing existence of parallel structures in Kosovo, which impede the establishment of a multi-ethnic society and challenge the work of UNMIK. The March events in Kosovo, of course, are both condemnable and intolerable, but they should be misused neither as a rationale for such parallel structures, or for nationalistic policies, nor as a way of solving internal political problems.

Let me stress, as my final remark, my Government's strong confidence in UNMIK and the Special Representative of the Secretary-General, Mr. Holkeri, and its full support for the policy and process of standards in Kosovo. We share the optimism that this process will successfully move ahead and open the way to the indispensable solution of its final status.

The President: I call on Mr. Guéhenno to respond to comments.

Mr. Guéhenno: Let me first say that we hear the call for a hard look at the action of the international community, and that we are doing that without jumping to conclusions, because it is a complex picture. Certainly, nobody would want to characterize Kosovo just on the basis of the horrible violence of last month.

In the past five years, before last month's violence we had seen the statistics of violent acts steadily declining, which bears witness to the fact that, indeed, many Kosovars were prepared and were beginning to live next to each other. I think, however,

that we must also recognize that this was more coexistence than a really multi-ethnic society, and that coexistence was indeed very fragile, as we could see before the violence in the difficult functioning of the Provisional Institutions of Self-Government or the municipalities, where it was hard to have various communities working together.

The issue of organized crime was raised by the Ambassador of the Philippines. Certainly, it compounds the political problems that I have just mentioned. I am not privy to any information or intelligence relative to Al Qaeda, but certainly I know that organized crime — in the more traditional form of smuggling, racketeering, corruption and intimidation — does indeed represent a very serious problem in Kosovo. It is a serious problem also because there are sometimes connections with political activists. I would want to stress to the Council that the United Nations Interim Administration Mission in Kosovo (UNMIK) Police is taking very active measures to fight organized crime, although it is a very difficult phenomenon to eradicate.

As to the economy and its sorry state, I would make a link to crime in that regard, because crime is both a cause and a consequence of the lack of progress in the economy. It is a cause because it makes some operations, such as privatization, more difficult. Indeed, we would not want privatization to entrench criminal interests, and so some precautions need to be taken. At the same time, it is certainly a consequence of the sorry state of the economy, because it is easier sometimes to make a living by crime than by legitimate activities. Thus, the progress in the economic situation of Kosovo is a fundamental element of overall progress there. There certainly will be few returns of Kosovo Serbs if there are no jobs for the returnees. There will certainly be little investment from abroad — whether from the Albanian diaspora or from the investment community at large in the world — if there is no sense that there is a vibrant economy in Kosovo. Thus, there is a vicious circle there in the pessimism on the state of the economy in Kosovo.

Let me conclude on the standards. When I was in Kosovo just before the violence erupted, I was struck by some misunderstanding — which I think still exists among many in Kosovo — on the nature of our efforts with respect to the standards. Too many see the standards as some artificial complication which would be imposed by the international community to create some kind of ideal society. I tried to make clear that, for the international community, the standards are certainly not some kind of artificial exercise. They are the indispensable foundation of a stable society in which various communities can live in peace and prosperity without the heavy presence of the Kosovo Force or UNMIK. I think we need to convey that message very strongly. The standards are not there to please the international community; they are there to help the Kosovars achieve the stability and prosperity that they deserve.

The President: There are no further speakers on my list. The Security Council has thus concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 12.30 p.m.

United Nations S/PV.4943

Security Council

Fifty-ninth year

Provisional

4943rd meeting

Thursday, 15 April 2004, 10 a.m.

New York

President:	Mr. Pleuger	(Germany)
Members:	Algeria	Mr. Benmehidi
	Angola	Mr. Gaspar Martins
	Benin	Mr. Adechi
	Brazil	Mr. Sardenberg
	Chile	Mr. Muñoz
	China	Mr. Zhang Yishan
	France	Mr. De La Sablière
	Pakistan	Mr. Akram
	Philippines	Mr. Baja
	Romania	Mr. Motoc
	Russian Federation	Mr. Isakov
	Spain	Ms. Menéndez
	United Kingdom of Great Britain and Northern Ireland	Sir Emyr Jones Parry
	United States of America	Mr. Siv

Agenda

The role of business in conflict prevention, peacekeeping and post-conflict peace-building

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04-31027 (E)

The meeting was called to order at 10.15 a.m.

Adoption of the agenda

The agenda was adopted.

The role of business in conflict prevention, peacekeeping and post-conflict peace-building

The President: In accordance with the understanding reached in the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. James D. Wolfensohn, President of the World Bank.

It is so decided.

I invite the President of the World Bank to take a seat at the Council table.

In accordance with the understanding reached in the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Mr. Heinrich von Pierer, President and Chief Executive Officer of Siemens.

It is so decided.

I invite the President and Chief Executive Officer of Siemens to take a seat at the Council table.

In accordance with the understanding reached in the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to Her Excellency Ms. Marjatta Rasi, President of the Economic and Social Council.

It is so decided.

I invite the President of the Economic and Social Council to take a seat at the Council table.

In accordance with the understanding reached in the Council's prior consultations, I shall take it that the Security Council agrees to extend an invitation under rule 39 of its provisional rules of procedure to His Excellency Mr. Dumisani Kumalo, Chairman of the Ad Hoc Advisory Group on African Countries emerging from conflict.

It is so decided.

I invite the Chairman of the Ad Hoc Advisory Group on African Countries emerging from conflict to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

Please allow me to make a few opening remarks to explain the framework of this meeting.

Political and economic stability in conflict prevention — as well as in post-conflict recovery — are closely interrelated. This must be reflected inside and outside the broader United Nations system, including the international financial institutions, of which the World Bank is one of the most prominent. Much has been done already to improve coherence and efficiency between the different actors. One example of this is the establishment of the Economic and Social Council Ad Hoc Advisory Group for African Countries emerging from conflict.

The role of the individual enterprise in the private sector as a whole deserves particular attention in this context. This refers to the whole complex of the entrepreneurial responsibility, to the so-called "global corporate citizenship" on the one hand, and the huge potential that the private sector can provide in any development or reconstruction strategy at national or regional levels on the other hand.

Today, as a consequence of globalization, the international private sector is more involved in the issues of the stability and the prosperity of conflict-prone countries than in previous decades. Economic and social stability is a major factor in preventing armed conflict and failing States. In post-conflict peace-building, the disarmament, demobilization and reintegration process can be accomplished only if job opportunities provided by the private sector are available. In its mission to Afghanistan half a year ago, the Security Council experienced on the ground that only if there is a true alternative, a true prospect of making a living, are soldiers and combatants willing to give up their arms.

I realize that this meeting is a first in this discussion, in this kind of format. I believe it is appropriate for the Security Council, as a forum responsible for the maintenance of international peace and security, to address the role business can play in

conflict prevention, peacekeeping and post-conflict peace-building.

On behalf of my colleagues on the Council, let me say how pleased I am to welcome representatives of those actors that play a decisive role in dealing with this important aspect of armed conflict: the Secretary-General, Ambassador Rasi and Ambassador Kumalo, as representatives of the United Nations system, as well as Mr. Wolfensohn and Mr. von Pierer, as representatives of major players in the global financial and business world.

Before I give the floor to our guest speakers, let me just make one short appeal. I ask members of the Council to limit their statements in the subsequent discussion to five minutes. Otherwise, we will not be able to conclude — let us say — by about 1 p.m. We would also like to allow our guest speakers the possibility, at the end of the interventions of Council members, to respond to questions and to comment in response to what has been said in the discussion. I would therefore very much appreciate it if members could limit the length of their statements. If members have longer statements, they can distribute them in writing.

I now welcome the presence of our Secretary-General, Mr. Kofi Annan. I give him the floor.

The Secretary-General: I would like to thank the German Government for taking the initiative on this very important issue. The economic dimensions of armed conflict are often overlooked, but they should never be underestimated. The role of business, in particular, can be crucial, for good and for ill.

Private companies operate in many conflict zones and conflict-prone countries. Their decisions — on investment and employment, on relations with local communities, on protection for the local environment, on their own security arrangements — can either help a country turn its back on conflict or exacerbate the tensions that fuelled conflict in the first place.

Private companies also manufacture and sell the main hardware of conflict — from tanks to small arms, anti-personnel mines and even machetes. And private enterprises and individuals are involved in the exploitation of, and trade in, lucrative local natural resources, such as oil, diamonds, narcotics, timber and coltan — a crucial ingredient in many high-tech electronics. Governments and rebel groups alike have financed and sustained military campaigns that way. In many situations, the chaos of conflict has enabled resources to be exploited illegally or with little regard for equity or the environment. When local populations are excluded from discussions on access to and control of natural resources and see little benefit from them in their communities, it can in turn be a cause of more conflict.

These are complex challenges. They touch on fundamental questions of sovereignty, democratic governance, corporate accountability and individual integrity. Moreover, many of the transactions involved occur in the shadows or within the context of failed States that do not have the capacity to regulate activities that are driven by profit but which fuel conflict. Enforcement and monitoring measures aimed at cracking down on such activities often lack teeth, if they exist at all. Supply chains are often so multilayered as to defy efforts at greater transparency. Even legal activities can have unfortunate and unintended consequences.

Business itself has an enormous stake in the search for solutions. After all, companies require a stable environment in order to conduct their operations and minimize their risks. Their reputations, not just with the public but with their own employees and shareholders, depend not only on what products or services are provided but on how they are provided. And their bottom lines can no longer be separated from some of the key goals of the United Nations: peace, development and equity. All these are compelling reasons why business should play an active role in tackling these issues, without waiting to be asked.

The Security Council, for its part, has already addressed many of them. The Council has imposed targeted sanctions. It has supported the Kimberley Process which, though a voluntary initiative, has reduced the trade in so-called conflict diamonds. The Council has set up expert panels to assess the role of political economy in triggering or prolonging conflict. It has authorized some peacekeeping missions to assist in the monitoring of economic sanctions and arms embargoes and to support efforts to re-establish national authority over natural resources.

This meeting occurs against a backdrop of several important initiatives. The Organization for Economic Cooperation and Development has adopted the Guidelines for Multinational Enterprises, with the hope

of ensuring corporate adherence to Security Council decisions and international conventions. An initiative led by the United Kingdom aims to increase transparency in the extractive industry. Some Members States have issued voluntary principles on security and human rights aimed at ensuring that, when security and protection are subcontracted to private companies, it is done in ways that protect against violations of human rights.

And my own Global Compact has sought to improve global corporate citizenship. One product of the dialogue on this subject is the Business Guide to Conflict Impact Assessment and Risk Management. Members of the Compact are also discussing adding a tenth principle on corruption to the existing nine principles on human rights, labour standards and the environment. And they are exploring what they can do to help implement the new United Nations Convention against Corruption. All of us — Governments, businesses, non-governmental organizations and intergovernmental organizations — need to learn to operate more openly, in the sunshine of transparency. That is essential if we are to break the cycle of corruption and build greater confidence in our various institutions and enterprises.

In the specific context of the United Nations, members probably know that I am establishing an independent inquiry into the allegations of fraud, corruption and mismanagement relating to the oil-for-food programme that we were running. Transparency is the only way to deal with such allegations and by far the best way to prevent corruption from happening in the first place. That, I believe, will be one of the main lessons we have to learn from this affair, whatever the outcome of the inquiry.

In any case, all of these efforts and initiatives have only begun to tackle the issue. The time has come to translate ad hoc efforts into a more systematic approach. At the United Nations, such an approach would promote greater cooperation and interaction between the security and development arms of the Organization. It would give us the tools with which to better understand and more actively influence the economic incentives and disincentives that drive the dynamics of armed conflict, and it would ensure that those factors are reflected in efforts to prevent conflict, in peace agreements and in the mandates given to peace operations.

With these aims in mind, I have established an inter-agency group, chaired by the Department of Political Affairs, which is looking carefully at the political economy of armed conflict and will provide recommendations on how to improve the response of the United Nations system and of Member States. I urge this Council, and Member States in general, to focus greater attention on this issue and to engage more dynamically with the private sector. The Secretariat will help in any way it can.

This is a subject on which passions run high, as we know. We need to find the proper balance between inducement and enforcement. There are times when outrage is the only proper reaction. There are times when appeals to the common good will fall on deaf ears, but with so much at stake, we cannot afford a situation in which the actors involved are polarized, demonizing each other and unable to engage in dialogue. We must create a space where all can come together and find solutions. I hope that this meeting will contribute to that goal.

The President: I now give the floor to Mr. James Wolfensohn, President of the World Bank.

Mr. Wolfensohn: Let me say how grateful I am to you, Sir, for this invitation, which is the second in history to a President of the World Bank to attend a meeting of the Security Council, the first having been extended four years ago when we came together to discuss the impact of AIDS as a security issue. Important as that issue was and is, let me say immediately that I am delighted that the Security Council should be addressing this question at a time when the words of the Iraq and Afghanistan conflict interventions and resolutions in terms of the political side are uppermost in the minds of people.

The reason that I am so pleased to be here is that we feel, in our institution, that the issue of conflict prevention, conflict resolution and rebuilding — which is the subject of the discussion today — can best be looked at from the point of view of the causes of conflict and the methodologies of peace, some of which the Secretary-General has referred to. Basically, we have a fairly intuitive and not very complicated notion that, if someone has a job and hope, he or she is much less likely to go out and shoot people. This is not a very complex concept, but I am happy to say that we have done studies to prove that rather obvious point,

and I can quote the studies done by our colleagues in the institution, which clearly state that

> "our research suggests that the lack of economic opportunity and resulting competition for scarce resources, more than ethnic, political and ideological issues, lie at the root of most conflicts over the last 30 years".

Just in terms of my own experience since I have been at the Bank — whether it be in Iraq, Afghanistan, the West Bank, Gaza, Yemen, East Timor, Kosovo or Bosnia and Herzegovina — I have found that, in all these places where there has been tension, and in many cases conflict, we have gone in, and the very first thing that one needs to look at after some peace has been restored and after one has addressed fundamental social issues of education, health and infrastructure is the question of how one establishes a framework in which business can commence.

Let me say here that we give a lot of attention to international investment. I am particularly proud that Mr. Von Pierer is here at this meeting because of the work that his company has done globally. However, four times the amount of international investment is done domestically and so, when one talks of business, one really needs to think in terms of creating an environment locally in which local investment can be encouraged so that small and medium-size enterprise and entrepreneurship can in fact flourish. A lot of this was addressed in the recent study that was done by Paul Martin and Ernesto Zedillo in response to a request from the Secretary-General.

So the proposition which we basically believe is that, in dealing with the first question of conflict prevention, the first thing one needs is to have a growing economy in which people share. Again, we did a study of 60,000 poor people in 60 countries and we came up, again, with an answer that one might have concluded intuitively. The answer was that poor people, like rich people, want to live in peace and to have their community. They do not want charity — they want an opportunity. They want for their women not to be beaten up and, for their children, they want hope.

In the world today, where 2.8 billion people out of 6 billion are under the age of 25 and where 1.5 billion are under the age of 15 — and in the next 25 years 2 billion more will be entering our planet in the developing world — the crucial challenge, as again has been identified by the Secretary-General, is how we are going to find opportunity for our youth to work. If they do not have work, they are frustrated. Their immediate instinct is not to go out and create a war, but they are subject to influences from the outside, from people who are malicious and who will either hide within their number or use them for unlawful and offensive purposes.

Thus, in our institution, we are devoting a tremendous amount of time to trying to see how we can meet the needs of those 60,000 people and people like them. It is a very simple need: How do you give them an opportunity to work in an equitable environment? Here, one addresses a number of the questions that the Secretary-General referred to in terms of the legal framework which one can establish, the protection of rights, the campaign against corruption and establishing an opportunity for people to live in a stable environment. This is what we are told they want by people in developing countries, and it is not surprising. In fact, the study was useful, but probably not necessary in terms of intuitive thinking.

But we have done the work and proven in every way that we can that giving people hope is the best way to avoid conflict. Giving them an investment in their lives and a chance to think of their children and to give their children opportunity is the best way to stop them going out and creating conflict. So when one talks in the Security Council of the issue of the prevention of conflict, central to that is the very simple notion of giving people work and an opportunity. For that reason, I think this subject is really important in this body, because we are spending $900 billion on defence annually and we are spending $50 billion a year, or a little more, on development. I rather feel that if we spent $900 billion on development and on getting people to have jobs and to go into business, we probably would not need more than $50 billion for defence. This Council could then become an economic and social council and it might be a lot more pleasant and a lot less dramatic to be able to deal with hope, rather than with crises. That is why, Sir, I think you have chosen a very important subject today.

In relation to conflict resolution and the building of peace, in all the cases I have mentioned there are examples where we, often in conjunction with the United Nations Development Programme (UNDP) and other agencies, have, as the primary function concerning establishing peace, to get business going

again within a legal and appropriate framework which protects human rights and is also environmentally sound.

All of that is absolutely coherent and consistent with the Millennium Development Goals established in 2000 — which we, the Secretary-General and others are seeking to pursue — setting forth objectives of what we need to do in order to have a peaceful and appropriate world. All of the heads of Government came together at the Millennium Summit and affirmed the need to deal with the question of poverty. They did not come to the Summit with goals relating to targets for military expenditure. They said: The targets are human. Let us get people to work, let us reduce poverty, let us bring about growth and let us give people an investment in hope and in their lives.

Not surprisingly, what we do, before and after conflict, is to try and establish conditions in which business — both international and local investment — can flourish. For that reason, Sir, your choice of subject today is admirable. The solution is not simple. One does not just open the door for investment. It must be done within the framework of a legal system, governmental capacity, building transparent financial systems and fighting corruption — issues which were all mentioned at the International Conference on Financing for Development in Monterrey, the Johannesburg World Summit on Sustainable Development and by the New Partnership for Africa's Development (NEPAD).

I salute you, Sir, for putting the subject on the Security Council agenda. We, at the Bank, are proud to be working with United Nations agencies in terms of this issue. It is a joy to consider the issues relating to conflict by looking at the question of the causes of conflict. The main cause of conflict is lack of hope, and hope can be created by establishing businesses and by creating jobs.

The President: I thank Mr. Wolfensohn for the kind words he addressed to me. I now give the floor to the President and Chief Executive Officer of Siemens, Mr. Heinrich von Pierer.

Mr. von Pierer: It is a great and distinguished honour to be here today and to have the privilege of addressing you. Thank you for giving me this opportunity and the memorable experience of joining you here in this legendary Chamber, which I have known so far only as a curious visitor.

I have been asked to say a few words about the role of business in conflict prevention, peacekeeping and post-conflict peace-building. This is a challenge we at Siemens know well. In 157 years of doing business around the globe we have gained extensive experience working in different kinds of crisis situations.

Today I want to address three themes. First, I will make some concrete remarks about two conflict areas that are the focus of public attention right now — Afghanistan and Iraq. Secondly, what are the most urgent needs for the process of rebuilding after a conflict? Thirdly, what can be done over the long term to secure stability and to avoid conflicts or at least reduce their intensity?

First, concerning Afghanistan, less than two weeks ago I met with President Karzai while he was in Berlin for the International Afghanistan Conference. Our talks concentrated on his country's reconstruction. At his request, we jointly visited one of our Berlin factories, the same factory that King Amanullah of Afghanistan visited on his tour of Germany back in 1928. This shows that we have generations of experience in Afghanistan, as we do in most other countries around the world.

Our presence in Afghanistan was interrupted by war. But when it ended, we took some very specific steps to restart our activities and to help rebuild the country. First of all, we wanted to reopen our office as quickly as possible. We looked for a highly qualified national to relaunch our business and found the right man in our own company. He is fluent in Pashto, Farsi, German and English and was eager to contribute to his country's rebirth. We acted fast and reopened our office in Kabul in February 2003.

Secondly, parallel to setting up our operations, we critically analysed the most pressing infrastructure needs in the country. From our point of view, the top priorities were to restore power supplies, repair the water system in Kabul and reconstruct the communications network.

Thirdly, we were already on site when we received the first orders in these sectors. One project, for example, was to rehabilitate two hydropower plants that we had built over 50 years ago. We simply pulled original construction plans out of the archives and began work immediately. Another project was getting Kabul's water system back in working order. By the

way, we trained a large number of Afghans for this special work at our facilities in Pakistan and India and trained only a few people in Germany.

A fourth consideration was the social side, which is always important for successful engagement. We are helping to educate people. We are supporting UNICEF's "Back to School" initiative as an important investment in the country's future, with an emphasis on girls, to ensure that they also participate in basic education. I know that those efforts are just the beginning, but they are visible. That is important and that counts.

Concerning Iraq, we would like to pursue the same basic strategy and to help restore, for example, the country's power generation capacity, its power grid and its communication networks. We would also like to open local facilities, but, as we all know, the situation is extremely difficult right now. Despite the security risks, however, we have already started to help in concrete projects — one is to set up mobile telephone networks in northern Iraq and the other is to rebuild a power plant. We all share the hope that the reconstruction of Iraq can be accelerated as soon as possible.

All countries and all situations are, of course, unique, and there is no golden solution for all post-conflict scenarios. One must analyse each situation and tailor the response. In general, I would say there are five basic factors that are critically important: security, infrastructure, financing, post-conflict planning, and visible progress.

The first and foremost factor, security, is obvious. That has been a chronic problem in many regions, but since 11 September we also know that violence can strike anywhere, at any time. There are no more safe havens in the world, and we have to live with that fact. But now it is clear that in order for business to operate there must be a reasonable level of security and enough government control to provide basic law and basic order. The risk factors must be reduced to a manageable level — not to zero, perhaps, but to a manageable level.

In critical regions, business follows some basic rules — for example, a strong reliance on local employees who best know their country, their culture and the local circumstances. Also important are a few expatriates to push the process. Our principle in such cases is to send employees only on a voluntary basis. These people are carefully chosen, after considering all religious, ethnic and cultural factors, and they do not necessarily come from Germany. Close cooperation with local authorities is a must for taking all proper measures. Above all, one needs good common sense, caution, prudence and, also, courage. But unfortunately, these rules may not always be enough. If the risks are too high, we sometimes have to pull back — only as long as necessary, I must add — because our basic philosophy is: "We are here to stay".

To summarize my first message: local government or provisional authorities must provide the necessary minimum of security, and business should draw on the experience of people who best know the country.

The second factor is infrastructure. Nothing can function without water, electricity, food, food supplies, transportation and communication systems, particularly in cities. One of the top priorities must therefore be to reconstruct and to secure these services in order to restore functional authorities, to meet the basic needs of the population and to provide the foundation for rebuilding the economy and the society. So my second message is to begin as soon as possible with the process of repairing and renewing the basic infrastructure.

The third factor is financing. The success of any reconstruction programme depends on getting funds. The private sector must have partners — international organizations such as the World Bank, bilateral partners, development agencies, Governments and local authorities. Business cannot bear the financial burden, nor it can bear it only to a limited extent. As we all know, the process of securing financing can be complex and time-consuming, and sometimes frustrating as well. But in post-conflict situations, speedy financing is critical for restoring a viable society. Therefore, my third message is that financing instruments, including guarantees and public/private partnerships, must be made available as quickly as possible. Nothing is more dangerous to the peace-building process than a lack of action.

The fourth factor is post-conflict planning, above all, timely planning. If at all possible, post-conflict plans need to be developed at the same time as military or conflict-resolution strategies. There must be a seamless and fast transition.

We have to be realistic. This means we cannot always expect all procedures to run in the standard forms that we know and are familiar with. For example, there is the bidding process. Extraordinary situations often demand extraordinary solutions, as well as fast and uncomplicated decisions. One must accept that this is sometimes more effective than following the usual game rules, because time is of the essence. So my fourth message is to plan as much as possible in advance but do not waste critical time in unique situations by relying on overly complex, overly bureaucratic and time-consuming solutions.

None of the four factors I have mentioned are effective without the fifth, that is, visible progress. People must personally see that progress is being made, that their own lives are improving, that they can begin to support their families again, not with extralegal activities but as part of a new civil order. That is essential for regaining trust and long-term social stability. My fifth message, therefore, is that we have to give people a future, a future that must be quickly tangible.

This leads me to my last point today: what can be done over the long term to secure stability? One central source of conflict is hopelessness, or the feeling or being excluded from growing prosperity and from the benefits of globalization, and of being overwhelmed by a process that one cannot influence. Those fears, those desperate outlooks, lead to desolation and anarchy. People who have nothing to lose become unpredictable and capable of any deed. We have to counteract those trends by giving people hope and a way out of their situation — not only for a brief moment, but on a sustainable basis. I would like to give you three examples of what can and should be done.

The first example is education. We must build schools, educate children and provide vocational training for youth. If we educate the children, we open the future to them — a future in growing prosperity and a future without violence and aggression. As the President of the World Bank said, people want hope for their children. That is expressed in the Asian proverb, "One generation is planting the trees. The next generation is enjoying the shade." Education for prosperity and peace could be a broad programme for a public/private partnership.

The next example is health care. Basic public health services are a must, even in countries with isolated communities. There are solutions like telemedicine to provide better health consultations. It is a tangible and effective way to bring part of the first world to the third.

The third example is the transfer of knowledge and technology. This is a key step to integrate local economies with the world and to train people to help themselves. This could be accomplished in coordination with the local investment of global players; this is the way to build up networks of local business partners and suppliers and to create jobs. We took such an approach years ago under the guidance of Shimon Peres. We set up a joint venture software company for Palestinian and Israeli developers in Ramallah, in the West Bank. It was so important to me that I personally took part in the inauguration ceremony in Ramallah. It was a moving moment, as you can imagine. It worked well and gave many people a future. It was growing fast until the project was tragically interrupted by the renewal of hostilities. But this idea and many, many more like it can work. I am convinced of it.

These examples show that development aid and programmes must do and can do, much more than fight poverty. They must also focus on solutions for ensuring long-term benefits and stability, and they can be provided by public/private partnerships. Again, most important in my mind is education, education, education.

Business alone cannot change the world but, together with public partners, business can make decisive contributions in the struggle against violence, against anarchy and against terrorism, and on behalf of civilization, freedom and prosperity. I totally agree with the Secretary-General when he said some minutes ago that bottom lines cannot be separated from some of the key goals of humankind: peace, development and equity. We have certain projects under way and we are ready to do much more.

The President: I now call on Ms. Marjatta Rasi, President of the Economic and Social Council.

Ms. Rasi: I have the honour to speak at this meeting today in my capacity as President of the Economic and Social Council and to talk about the role of business in conflict prevention, peacekeeping and post-conflict peace-building. I also wish to thank you for inviting me to participate in this important meeting.

Let me start by referring to the recent report of the United Nations Commission on the Private Sector and Development entitled "Unleasing entrepreneurship: making business work for the poor". The report recognizes the importance of the private sector in many spheres of economic and social life, including in the alleviation of poverty. Overall, the report emphasizes the private sector's contribution to sustained economic growth.

It is my strong conviction that sustained economic growth is one of the keys to conflict prevention. In this regard, there must be constant efforts to better mobilize the whole United Nations system. The General Assembly, the Security Council, the Economic and Social Council and other bodies must all have a role in conflict prevention. Institutional gaps should be filled, and the division of labour among United Nations bodies should allow for complementary considerations of countries in turmoil within the respective areas of competency of each body.

We also need more thorough analysis of the various causes of conflicts, whether political, economic, social or cultural. Sources of conflicts and violence are manifold, but economic elements are often decisive. Overcoming economic vulnerability and insecurity is central to helping prevent violent conflict. Moreover, environmental degradation may also contribute to social eruption and conflict.

The causes and prevention of poverty overlap substantially with the causes and prevention of open violence and complex humanitarian emergencies. We may distinguish between short-term and long-term prevention. Long-term efforts include undertaking structural and institutional change, building capacity and spurring economic and political development. Short-term measures are often political and military, but also developmental and humanitarian to ameliorate potential conflict.

Today, it is widely accepted that the private sector has a primary responsibility in building economic and social well-being. There is also an emerging understanding about the need to bring business, as one of the actors, to the table where we discuss conflict prevention, post-conflict peace-building and recovery in fragile, conflict-prone societies. We need partnerships and multi-stakeholder approaches among Governments, civil society institutions and corporations. It is worth noting that in 2001 development ministers of the Organization for Economic Cooperation and Development encouraged trends towards partnership with business — domestic and international — to raise awareness of how firms can be good corporate citizens, avoid feeding the negative dynamics of conflict and make positive economic and social contributions to preventing violence.

In the spirit of corporate citizenship and civic-mindedness, the private sector itself must assume responsibility, including in uncertain conditions, to help prevent and mitigate conflict. The actions of private companies during conflicts, and the corporate ethics behind those actions, and sensitivity to human rights are important in this regard.

Today conflict is too often caused by the struggle to exploit natural resources. The private sector contributes towards instability and conflict if it provides a source of financing to armed groups in exchange for natural wealth — diamonds, gold and timber. In this regard, Security Council resolution 1306 (2000), banning the import of uncertified rough diamonds from Sierra Leone, was a major step in recognizing the role of the private sector in conflicts. It should also be noted that some industries have engaged in self-regulation, with varying degrees of success.

Peace-building requires a huge economic investment and the involvement of investors. The key challenge is to rebuild economies in such a way that the benefits of recovery are spread as widely as possible across society. Such an enabling environment of broad-based recovery requires considerable institution-building. Encouraging the private sector to stimulate local development, job creation and basic social infrastructure can contribute to long-term social stability and improved local livelihoods.

However, private business cannot be forced to invest in post-conflict areas. An environment should be created to attract private business into the area and to contribute to stabilizing social situations. The private sector can have a particularly positive role in providing jobs during and after the disarmament, demobilization and reintegration process. Private companies can also support social development programmes concerned with wider development and conflict prevention issues. The key constituencies to be engaged in the peace-building process are the local businesses, as they have a true vested interest in peace and stability.

More concrete work is required in looking into the political economy of violent conflicts and identifying conflict-sensitive investments. We must promote transparency of natural resource revenues and the extractive industries, assist in strengthening the rule of law and effective enforcement, target corruption, promote economic diversification, encourage the development of local business and reduce exposure to price shocks.

Resuming normal economic activity is severely impeded without a central bank or a revival of commercial banks and insurance companies. The provision of bank finance for working capital, fixed investment and residential reconstruction must also restart. Prior to the start of major violence, financial systems are often insolvent. The involvement of all economic actors is vital, while basic functions need to be put in place.

In recent years the Economic and Social Council has taken a more active role in developing a capacity to respond to the countries emerging from conflict and thus to help prevent human conditions from worsening. The Council continues to address the roots of conflict throughout its work. At its substantive session this year the Council will concentrate on the least developed countries. In the preparations, we have also focused on those countries that are emerging from conflict. In the light of their experiences, the private sector is essential as a development partner, with the support of the international community in backing recovery efforts when necessary.

I am happy to note that the Economic and Social Council and the Security Council have begun to collaborate in these endeavours. But much more can be done by the General Assembly, the Security Council and the Economic and Social Council working together to develop a comprehensive and a more rapid-response capacity for countries in special situations, where speed, scale and time are of the essence. We must also develop together a sufficiently long-term perspective towards both sustainable development and conflict prevention.

We are confident that the setting up of the High-level Panel on Threats, Challenges and Change will help the Organization undertake reform measures that will make it more agile and more flexible in responding to the challenges of the twenty-first century. We in the Economic and Social Council stand ready to play our part in contributing to strengthening the United Nations in this strategic area.

The President: I now give the floor to Ambassador Kumalo, Chairman of the Economic and Social Council Ad Hoc Advisory Group for African Countries emerging from conflict.

Mr. Kumalo (South Africa): Allow me to congratulate you, Mr. President, on your election to lead the Council this month. Thank you for the opportunity to address the Council on the role of business in conflict prevention, peacekeeping and post-conflict peace-building.

The debate on the role of business in conflict prevention, peacekeeping and post-conflict peace-building is long overdue. As members are aware, my own country, South Africa, is celebrating 10 years of freedom this month. Among the many significant contributions made to our freedom struggle was the role that businesses, both local and international, played in practising corporate and social responsibility in South Africa. Some businesses began by hiring black and white people to work together, performing the same functions, thereby acting as bridge-builders across the racial, social, ethnic, political, economic and regional divides in our country. Other businesses provided resources to community organizations, which helped to create social conditions in which people could live and work together as neighbours. By the time the political negotiating process led to a political solution, the people of South Africa had learned about the possibility of living together in peace, and by then some of the businesses were ready to engage in a reconstruction and development programme aimed at creating a democratic society.

It has now become generally accepted that there is an inescapable linkage between peace and development, particularly economic development. Without peace, there can be no sustainable development, which is an important antidote against conflict. There is further agreement that the role of the private sector is very critical to economic development.

However, in a conflict situation, or even in a post-conflict reconstruction phase, the private sector is reduced to a minor role. The international community and donors have the main responsibility to prevent conflict and ensure peace-building. Only once there is peace can the private sector come in and make its contribution towards creating growth and prosperity.

The challenge has always consisted in trying to define a role for the private sector in those processes. This is complicated by the fact that the private sector is not limited only to the vast majority of businesses that play a positive role in contributing to peace and development. The businesses that trade in conflict diamonds in Sierra Leone and the Democratic Republic of the Congo are a part, albeit a negative part, of the private sector as well. The individuals who participate in the informal sector, selling light goods and fruits, are part of the private sector even though they do not contribute to the tax base of that particular country. However, for the purposes of this debate, we are limiting ourselves to what may be called "the regular businesses", those that make a difference in the lives of countries emerging from conflict.

It is thus clear that the private sector cannot, on its own, substitute for the international community and the development partners in addressing the issues of conflict prevention, peacekeeping and post-conflict reconstruction. However, business has a decisive role to play, if that role is well articulated and understood.

Allow me to share some of the experiences we gathered in Guinea-Bissau and Burundi, as members of the Economic and Social Council Ad Hoc Advisory Committee for African Countries emerging from conflict.

In both countries, the eruption of conflict drove the international private sector away. The local businesses, however, did not have the option of leaving their own countries and were forced to find ways of continuing to operate under difficult conditions. The local business owners faced a collapsing economic infrastructure, limited — if any — access to credit, deteriorating transport systems, communication deficiencies, evaporating energy supplies and other disruptions to production that result from conflict. Eventually, many of these businesses were forced to close, while others barely survived.

Meanwhile, the rising conflict did not prevent Governments from demanding contracts for the supply of products and services from local businesses, even during the conflict. Those Governments were in no position to meet their commitments under the contracts they signed, and that resulted in the build-up of substantial arrears carried by the local private sector. As those countries begin to emerge from conflict, it has become one of the high priorities for the incoming Governments to receive assistance in settling debts to the local businesses. The international community has to find a way to assist the new Governments in fulfilling these obligations in order to avert widespread bankruptcies with the resultant job losses and shrinking business bases in these countries emerging from conflict.

Settling the outstanding government debts to local businesses also provides a much-expected injection of money back into the economy. It allows the local private sector to gain access to desperately needed capital, which enables it to expand and take advantage of the new opportunities offered by the return to peace and stability. Often it is the local businesses that offer employment opportunities to demobilized fighters who are forced to disarm as part of the reconstruction and post-conflict resolution. Successful disarmament, demobilization, reintegration and resettlement or repatriation need a substantial and sustained local economy to absorb the demobilized fighters.

Furthermore, a healthy local private sector is an attraction and prerequisite for the involvement of the international private sector in a country emerging from conflict. To put it more bluntly, foreign businesses are reluctant to move into countries where local business is not investing its own money in its own country. The partnership between local and international business is a critical confidence-building step for a country emerging from conflict. It contributes to the success in post-conflict reconstruction and development by becoming an engine of economic growth.

The international community is the most important player in creating the political environment in which the private sector can do business. As business is driven by the profit margin, it needs peace and stability in which to operate. That can be best achieved by a concerted effort by the international community through a clear commitment to peacekeeping and the deployment of peacekeepers in situations of conflict.

Bilateral and multilateral incentives such as investment guaranties and lending policies could play a role in spurring economic activity. However, those actions and instruments have to correspond to the challenges of the specific situation. In the case of Guinea-Bissau and Burundi, the clear priority, as stated by representatives of the private sectors we met in both

those countries, is for the international community to provide budget support to the two Governments so that the State institutions can pay their arrears to the private companies contracted by them during the times of conflict.

The President: I will now give the floor to the members of the Council.

Mr. Benmehidi (Algeria) (*spoke in French*): I would like, first of all, to thank the delegation of Germany for having proposed this subject for discussion. Its importance for the work of the Security Council is absolutely clear. I would also like to welcome the President of the World Bank and the President of Siemens and thank them for their statements.

The Security Council's consideration of the role of business in conflict-prevention, peacekeeping and peace-building, on the day immediately following the General Assembly's consideration of the final report of the Kimberley Process Certification Scheme, illustrates the importance that our Organization and its major bodies attach to this question.

The Kimberley Process is a significant contribution to the maintenance of international peace and security and represents a remarkable moral step forward that we should welcome. Its essential elements are the self-regulation to which the diamond industry has committed itself and the spirit of partnership with which that industry has welcomed the initiative of the producer countries to combat the illicit trade in diamonds — blood diamonds. The role of those diamonds in fuelling several conflicts has been amply demonstrated. My delegation wishes to hail the embodiment, in the Kimberley Process, of the spirit of the Global Compact that the Secretary-General has proposed to the business community.

It is today widely recognized that in conflict zones the practices of international corporations or smaller corporations have often had a considerable impact on respect for human rights and breaches of the peace because of the corporations' links to Governments or to social groups who oppose them. This subject, however, has already been discussed. Here, I would like to focus more on the present role of business in peace-building in post-conflict situations. In such situations, the root causes for the outbreak of conflict generally remain and require economic and social treatment as soon as possible, if a lasting peace is to be established.

Observation of countries emerging from conflict reveals that at the end of the emergency reconstruction phase — which is generally limited to the most urgent humanitarian needs and assistance in establishing institutions and legislative bodies indispensable for legal security and a climate favourable to investment — the international community is faced with a lack of any significant investment, which is the only thing that can lead to sustained and lasting growth, which is still the best guarantee of lasting peace.

In brief, should companies remain on the sidelines of economic rehabilitation efforts led by the Governments concerned, with the assistance of the United Nations and the multilateral financial institutions, to create the conditions and rehabilitate the infrastructure? Or should they participate in those efforts, in accordance with the principle of social responsibility to which they increasingly adhere?

Post-conflict developments in a good number of situations on the Council's agenda, particularly in Africa, clearly plead for the earlier involvement of private companies. Indeed, the risks of a wait-and-see attitude were particularly highlighted by the work of the Economic and Social Council Ad Hoc Advisory Group for African Countries emerging from conflict, which recently submitted its report on Guinea-Bissau and which could be confronted with similar obstacles later, in the case of Burundi.

My delegation is of the view that the issue of the link between peace and development as a factor for overcoming the risks of armed conflict was appropriately addressed by Africa's own initiative, the New Partnership for Africa's Development (NEPAD). The NEPAD approach, founded on the idea of partnership, gives greatest importance to creating the conditions for investment and business, which are the motors of development, by stressing the notions of good political and economic governance — including the management of business — the obligation of accountability, the fight against corruption and respect for human rights.

The favourable response to NEPAD by the United Nations and the international financial community, through the forum of the Group of Eight's Kananaskis and Evian Summits, has now made it a cornerstone for

that approach, which should guide the private sector's contribution to the international community's peace-building efforts.

We believe that the success of that approach depends on the accompanying implementation of respect for commitments undertaken by the Governments of countries emerging from conflicts — which can often be verified — on the provision of the necessary levels of official development assistance and on the contribution of private sector investments. In that regard, the contributions of multinational companies are particularly anticipated, as they reduce country risk through bold initiatives that give concrete expression to the ideal of social responsibility.

Mr. Zhang Yishan (China) (*spoke in Chinese*): At the outset, I wish to thank you, Sir, for taking the initiative of convening this open meeting and to welcome the participation and statement of the Secretary-General, Mr. Kofi Annan. I also welcome the presence of Mr. Wolfensohn, President of the World Bank, and Mr. von Pierer, President and Chief Executive Officer of Siemens, as well as the President of the Economic and Social Council and the Chairman of the Ad Hoc Advisory Group for African Countries emerging from conflict.

With the steady development of economic globalization, the operations of many businesses have extended to all corners of the world. In some cases, contact with those businesses has a certain influence on the development of a situation in the conflict region. Therefore, how to push for and promote a positive role for business in the peace process in conflict-afflicted countries and regions is a question that merits our serious consideration. In that respect, I would like to make the following comments and observations.

First, businesses should scrupulously abide by the relevant Security Council and General Assembly resolutions and other codes of conduct. For some businesses active in conflict-ridden countries in Africa, profit is their only goal, and they engage in illegal trade in products such as diamonds and timber, in disregard of the provisions of the relevant Council resolutions. That kind of illegal trade often abets armed conflict in the region and undermines the peace process concerned. Those activities must be stopped.

In that respect, we welcome and appreciate the beneficial contribution the Kimberley Process has made to severing the link between the illegal trade of diamonds and armed conflicts. It is undoubtedly extremely important for the prevention of the escalation of conflicts that businesses enhance their sense of moral responsibility, strengthen their self-regulation in the conduct of their business and comply strictly with the relevant Council resolutions.

Secondly, business should actively participate in the disarmament, demobilization and reintegration process and post-conflict peace-building. In the wake of conflict, the affected countries and regions lie in ruins. The active participation of business in local economic reconstruction can lead to a company's own growth and help the country in question rehabilitate its economy after conflict, thus providing jobs for the people and enabling more ex-combatants to reintegrate into society. That would favourably complement the efforts of the international community and the Governments concerned to achieve stability and consolidate peace.

Thirdly, business can make an active contribution to the prevention of conflicts. If we look at today's world, we can see that most conflicts take place in developing countries. Although the causes of conflicts are various, they are to a great extent all closely linked to economic underdevelopment. Business should actively carry out operations in underdeveloped countries and regions, providing financing and transferring technology, in order to help the local people eradicate poverty, improve their economy and achieve sustainable development, thus preventing the outbreak of conflicts.

Prevention and resolution of conflicts require the joint efforts of the international community. The United Nations, regional organizations and Governments undoubtedly bear the major responsibility in that respect. At the same time, however, business can also play a role. We should encourage business, especially multinational corporations, to make use of their advantage, in accordance with the United Nations Charter and Security Council resolutions, to work actively and to play a constructive role in preventing conflict and promoting the settlement of conflicts. We are in favour of the General Assembly and the Economic and Social Council further exploring this issue.

Mr. Motoc (Romania): Germany's initiative of organizing this public meeting of the Council is highly commendable and timely. We are indeed witnessing a

growing awareness that economic security is key to stability and security in countries marked by conflicts and key to ensuring sustainable peace and economic development.

Concrete evidence shows that the business sector's role is closely connected to the responsibility entrusted to the Security Council by the Charter. Resolution 1366 (2001) highlights the mutually supportive relation between conflict prevention and sustainable development. It acknowledges the priority attention that should be devoted to poverty and the lack of development, which are important root causes of conflict. And we all concur that economic development depends to a great extent on the viability of a country's private sector and the involvement of international private sector actors.

This meeting is extremely important in helping members of the Security Council to deepen their understanding of the particular role business and the private sector actually play, or could be expected to perform, in the different stages of conflicts: prevention, resolution, post-conflict stabilization and reconstruction.

In that regard, my delegation would like to welcome the participation and opening statement of the Secretary-General in this debate. We also welcome the presence among us of the President of the World Bank, the President of the Economic and Social Council, the Chairman of the Ad Hoc Advisory Group for African Countries emerging from conflict and the President and Chief Executive Officer of Siemens. Their input was assuredly enriching.

Until recently, the role of economic factors in intra-State conflict was largely overlooked. Explanations of conflict emphasizing enmity, religious fundamentalism or manipulative politicians amply prevailed. Many of the situations tackled by the Security Council have, however, revealed that obscuring the role of economic agendas in both causing conflict and hindering peace-building is counterproductive.

In some cases, conflict-prone economic agendas have accordingly been addressed in the Security Council's decision-making. Sanctions regimes and the activity of independent panels of experts have addressed some of the root causes of conflicts nurtured by economic motivations. The Kimberley Process of diamond certification is a recent case in point.

The time has come to build on the experience accumulated in managing the economic factor as a source of conflict. The Secretariat could thus put together a report highlighting the significance of the broader regional and global dimensions of the political economy of contemporary intra-State conflict. A major part of that report could dwell on the political economy of post-conflict transformation. It is in that stage of conflict that business sector involvement could take on a really strong positive connotation.

Indeed, business and the private sector add an economic dimension to the political aspects of post-conflict reconstruction and development. Many measures should be taken and questions need to be answered. Our German colleagues raised a number of them in the non-paper distributed in preparation for this meeting. I will briefly try to present our delegation's input.

Globalization drives the investment of multinational companies all over the world. Recipient countries may or may not be affected by conflicts at the time when the investment decision is taken, but companies investing in a developing country will always look at their financial performance from the long-term perspective, at their own image as a good corporate citizen and at promoting economic development in the respective country. Romania's own recent experience shows that sustainable investment and trade are essential factors for a successful transition to the rule of law and a functional market economy.

First, I would point out the fact that it goes without saying that business needs a stable environment, politically and legislatively. To give an example, in today's Africa, there is growing recognition that areas once seen as State preserves need partnership with the private sector if they are to attract the capital and skilled management they need for economic growth and development. However, sub-Saharan Africa attracts today less than 10 per cent of total foreign direct investment in the developing world. The challenge ahead is creating an enabling business climate to provide facilities that would draw in investors.

Secondly, foreign companies should themselves generate stability through all their activities. The private sector is called on to engage as a reliable and substantial partner in the development process of the

respective countries. Corporate social responsibility is now endorsed by many international declarations and conventions that focus on the role business can play in countries affected by conflicts.

Thirdly, help is also needed for the local private sector, which may either have been eroded or distorted following its involvement in the war economy, or completely shattered by it.

Fourthly, business, be it local or foreign, is called on to join other components of society in upholding respect for human rights within its own sphere of activity, thus making a direct contribution to preventing and overcoming conflicts. It is essential that business practices do not participate in human rights abuses and refrain from any improper involvement in local political activities.

Fifthly, the United Nations system should show understanding and provide adequate support for the responsibility the foreign business is asked to shoulder when it enters or re-enters a country or a market in the phase of peace-building and post-conflict reconstruction. Due consideration should be given to generating the right combination of incentives and regulations at the national and international levels so as to promote good corporate governance. Conventional diplomatic and military interventions aimed at preventing and resolving conflict need to be complemented by more systematic regulation of global trade and commerce, as well as by the provision of more effective mechanisms to ensure the responsible management of resource wealth and sustainable development in vulnerable States.

Regionally-based approaches to peacemaking and post-conflict reconstruction, starting with the Security Council, should integrate business as a basic component. Many contemporary intra-State conflicts have strong regional economic linkages. Often, the most entrenched conflict economies are those that are embedded in regional conflict formations, such as those in West Africa and the Great Lakes region.

A recent project of the International Peace Academy on the war economy in a regional context notes that not only has the political economy of regional conflict complexes been neglected by peace-builders, but this neglect has left many war-torn States vulnerable to continued instability and poverty.

Finally, the conclusions of today's debate should be followed up in a broader perspective — that of a systematic coordination between a variety of public and private sector actors and agencies, including the Security Council. Effective cooperation and interaction among key stakeholders is the way to ensure the successful implementation of any economic or political strategy in any country, based on a strong sense of ownership. The Romanian delegation stands ready to work closely with the German and other delegations in ensuring an appropriate follow-up to today's debate.

Mr. Muñoz (Chile) (*spoke in Spanish*): At the outset, may I thank Germany for taking the initiative to convene this open debate, with the participation of distinguished guests, on the role of the private sector — understood to mean not only corporations, but also civil society and non-governmental organizations — in conflict prevention, peacekeeping and post-conflict reconstruction. I believe that it will allow us to reflect on a subject that, historically, has had an impact, for better or for worse, on the internal processes of countries.

All are well aware of the commercial motives that impelled the Powers of the seventeenth, eighteenth and nineteenth centuries to dominate vast, distant regions of the world and to impose regimes intended basically to benefit the colonial centres instead of the local populations. In the past, many companies operated in conjunction with their Governments, imposing production models geared towards the foreign market, separating and dividing populations and offering benefits to ethnic minorities. All of this produced a complex legacy, the effects of which are still being felt today.

With the passage of time, the situation evolved from colonial domination to the predominance of big corporations. Over the past 50 years, many companies operating in developing countries have been the principal actors in the destabilization of local governments and a source of financing and support for certain sectors in civil conflicts, with the backing of their respective Governments. That is why I, for instance, as a Chilean, have never used the services of a company called ITT. The specific interests of a famous corporation became identified with the foreign policy of its home country, a situation that obviously changed with the dawn of the era of global production.

Examples of the type of conflicts generated by certain companies have been mentioned in other statements, including the question of diamonds in West Africa, which led to the Kimberley Process, and the illegal exploitation of natural resources in the Congo. In both situations, such exploitation financed combatant rebel groups. In addition, the private sector involved in the trade and traffic of small arms and light weapons bears considerable responsibility in conflicts. There is a need to develop codes of conduct and monitoring standards applicable to the activities of such companies, in order to avoid the indiscriminate and even illicit proliferation of small arms and light weapons.

To be sure, businesses are neither philanthropic nor peacekeeping organizations. They are driving forces for prosperity. How can we reconcile the legitimate profit-making objectives of the business sector and the humanitarian and human rights objectives of civil society and many non-governmental organizations with the tasks of conflict prevention, peacekeeping and post-conflict reconstruction?

The steady growth of the global market economy, with its processes of privatization and liberalization, has resulted in a massive transfer of resources to the private sector and a large increase in investment in emerging markets — often, however, characterized by major structural weaknesses in the areas of regulation and governance with high levels of poverty, serious human rights violations and significant levels of corruption.

Furthermore, the nature of contemporary conflicts, increasingly of an intra-State character, has changed the approach to conflict prevention and solution. Their complexity requires multidisciplinary approaches in which there must also be considerable room for business, and especially for the largest transnationals. Various mechanisms have been created for that purpose. For example, the Organisation for Economic Cooperation and Development (OECD) has adopted the Guidelines for Multinational Enterprises. The Secretary-General recalled today that he proposed the Global Compact under which corporations are to apply International Labour Organization, human rights and environmental principles in their activities, particularly in developing countries.

How can the private sector, broadly defined, act in the context of conflict prevention, peacekeeping and reconstruction? Let me outline a few ideas. In the field of prevention, there can be no doubt that the private sector, because it is present on the ground and is familiar with the environment, can serve as a source of early warning, seeing the signs of impending conflict. It can then cooperate through the development of conflict prevention or mitigation strategies.

Companies need stability; they need clear rules to follow. Ultimately, conflict harms corporate strategic interests. This means that partnership can exist between business and the work of the United Nations. There is a more specific aspect of prevention that can fall to the corporate sector if it allocates resources to social investment, strengthening local civil society and investing in communities and activities that promote tolerance, diversity and civic education. Many visionary and progressive companies are already working in that direction, but, in my view, much more needs to be done.

In the field of reconstruction, there are many measures that multinational corporations could take together with their local partners in order to rally broad economic sectors and complement United Nations reconstruction efforts.

Companies can also offer financial support for projects that have immediate impact on production, for example through initiatives to give jobs to ex-combatants. Often, it is precisely the lack of jobs for ex-combatants that makes conflicts recur.

From the standpoint of governance, the private sector can play an important role in reconstruction through the critical capacity of governmental decisions, to ensure that these are more realistic and effective on the ground and that they provide broad benefits to society. Indeed, there is also the possibility of exploring the idea of matching funds: co-financing a reconstruction project in an amount equal to the contribution of a donor Government, for instance in areas such as disarmament, demobilization and reintegration.

In the case of the corporate sector, it would undoubtedly be appropriate to develop a range of incentives to encourage companies to remain in a country when conflict approaches, or to adopt relevant preventive and reconstruction measures, or to be involved in a country during the reconstruction stage. How many companies could be prepared, for example, to provide jobs, prosperity and hope in Haiti, and at the

same time to make money in a country that needs this assistance: a country near major markets, and where, through training, a high-quality labour force can be developed.

Lastly, given the complex interrelationship between the private sector and conflict, it could be of interest for the Secretary-General to prepare a report on this subject and perhaps to make recommendations on prevention and post-conflict reconstruction that could be taken up both by the Security Council and by the Economic and Social Council for implementation in future peace operations. That would, I believe, be worthwhile.

Mr. De La Sablière (France) (*spoke in French*): It is with a great deal of interest and pleasure, Sir, that we are participating in the debate that brings us together here today, at your initiative. We thank the Secretary-General for his statement and also thank the President of the World Bank and the President and Chief Executive Officer of Siemens, as well as our colleagues, the President of the Economic and Social Council and the Chairman of the Ad Hoc Advisory Group for African Countries emerging from conflict, for their statements, which have enhanced our discussion.

It is a good idea for the international community, through discussions such as this one, to analyse in depth the kind of guidelines it has engaged in for the role of business in crises and conflict. We have already, as I have mentioned, a doctrine, a body of regulations and principles contained in declarations, resolutions and actions undertaken by international institutions. I am thinking of what has been done in the case of the Organization for Security and Cooperation in Europe, by the International Labour Organization and the Group of Eight industrialized democracies, what has been done in the context of the European Union's Green Book, what the World Bank is doing — these activities are all most laudable. I am also thinking of the Global Compact that the Secretary-General initiated in 1999 and which he referred to this morning.

As for the Security Council, it too has taken into account in several aspects, the role of private business in the outbreak of conflicts as well as in conflict management. This is quite natural because there is a political economy of conflicts that makes up — even if it is rarely explicit — the underpinning for many of the decisions we take.

I refer, concerning the action undertaken by the Security Council, to everything that was done by the panels of experts which have made a great contribution to highlighting the illegal exploitation of natural resources as a critical factor in certain conflicts. I am also thinking of various sanctions regimes, targeted sanctions and embargoes, in particular the arms embargoes established by our Council. Very often they are designed to deprive those who would make profits from conflict of the fruit of their evil work. Finally, I am thinking of the fruitful cooperation that has been established to clean up the diamond trade through the Kimberley Process.

It seems to me, however, that all of these measures — and this is why I am gratified by this debate — are scattered and that, for the most part, they respond on a case-by-case basis. Therefore, we must ask ourselves whether we need to go farther and how do we go farther.

To the question of whether we need to take further steps my delegation answers in the affirmative because, as has been widely emphasized during this debate, there is crucial interaction between economic factors and crisis situations. We can try to go farther, as was stated this morning, with regard to conflict prevention, conflict management and post-conflict situations. I believe — and this was also stated this morning — that it is also in the interest of businesses themselves to become involved in actions designed to maintain or re-establish stability and the rule of law and to assist States to find the road to sustainable development. I think too that we need to bear in mind — and here I am referring in particular to what is taking place in West Africa — that the economy of conflicts in Africa right now most often takes on a regional nature.

If it is necessary to go farther, the question is, how do we move on? My delegation would like to associate itself with what has already been said in contributing to our thinking, as much with regard to conflict prevention as to conflict management and post-conflict situations.

Regarding conflict prevention, I was most impressed by what was said by the President of the World Bank. I can only share his sentiments that giving hope to people is the best way to avoid conflicts — to give them work, to give them opportunities, he said. I am most gratified to see the President of the World

Bank here today in the Council. I think that in a great number of situations that are basically prevention and post-conflict situations, there is the possibility for significant cooperation between us and the Bretton Woods institutions.

The Secretary-General's 1999 Global Compact initiative, I think, is precisely along these lines. If business shows respect for major international standards in the area of human rights, international labour law, non-involvement in the illegal exploitation of natural resources or the illicit trafficking in weapons, then that cannot but contribute to the healthy economy and resources of a country and prevent crisis situations.

Regarding conflict management, I have two comments to make. The first is about an element that I find of increasing concern, one concerning which we cannot remain idle here. This is the development of resorting to private operators in the implementation of actions linked to peacekeeping, including security issues, that classically are the responsibility of States. I consider that that practice is sometimes excessive or uncontrollable.

The second point I wanted to make regarding conflict management is that it is up to the States — and perhaps they do not all do this efficiently in accordance with the provisions of the resolutions of the Security Council — to take appropriate measures to ensure that individuals in business act in accordance with the embargoes enforced. We have a series of resolutions imposing embargoes that are being flouted. States must act to ensure that embargoes are respected.

Regarding post-conflict situations, the President of Siemens referred first to security among the five factors that are necessary for private business to be able to intervene. It is clear; it is a matter of common sense, and we note it daily here. It is important to involve enterprises from the private sector in steps undertaken in post-conflict reconstruction processes, in particular through promoting certain international norms in the public sectors of the countries involved, and more generally through the economic restructuring of those countries, including, as appropriate, activities sponsored by multinational corporations — as is planned, I believe, by the OECD. Finally, and more specifically, private enterprises can help in the disarmament, demobilization, reintegration and resettlement or reintegration programmes.

I think that it is clear to everyone that for the States involved in post-crisis situations it is extremely important to develop a framework which is favourable to the development of business and the local private sector. Here, international organizations, in particular United Nations agencies and the Bretton Woods institutions, can and should make their contribution to the synergy between political stabilization, economic recovery and the strengthening of State structure in post-conflict situations.

I was wondering what the priorities should be for the Security Council today. It seems to me that first, beyond mechanisms to monitor the implementation of sanctions, it would be timely for the Council to systematize its approach for taking into account economic factors in conflict zones and crisis situations. I wonder whether the means to do that should not be the establishment of a mechanism using independent experts with a mission to monitor the illegal exploitation of natural resources and the role of illicit trafficking in fuelling conflicts.

I think that the Security Council should, on a daily basis, be extremely attentive to the mandate of the peacekeeping operations and should in a systematic fashion try to break the link which we see in many crisis situations in illicit trafficking, in particular in drugs and organized crime, bad governance, and therefore the dislocation of those political systems designed to ensure civil peace and prosperity. I think that progress is now being made in drawing up our mandates, and we should continue to act to those ends.

To sum up, these proposals for action perhaps could contribute to the development of a global partnership between the world of the private economy and those organs which, in the United Nations, are working for peace and security. In any case, we await with interest the report of the inter-agency group established by the Secretary-General that we heard about earlier. My delegation is ready to consider follow-up action that the Council could carry out within the framework of its competence.

Mr. Siv (United States of America): Businesses are valuable development partners, providing crucial investment and employment opportunities. As the United Nations Commission on the Private Sector and Development reaffirmed, the private sector is the engine of economic growth, which in turn reduces poverty and creates jobs. In our discussion on the role

of business, we should look at ways to promote economic freedom and create an environment in which the private sector can grow and prosper, for that is indeed its role. Conflict is anathema to businesses. Where conflict prevails, growth and opportunity are lost and business fails. Companies have a genuine and abiding interest in promoting peace as the necessary precondition for growth and market stability.

But businesses do not have the same responsibilities as Governments in conflict prevention, peacekeeping and post-conflict peace-building. This distinction needs to be maintained in our discussions today.

Companies can provide leadership through setting examples of good corporate citizenship. Companies have chosen to do this in many different ways. Some have adopted corporate codes of conduct; others have chosen to participate in voluntary international codes regarding corporate behaviour. Companies represent a vital component of our shared vision of a world of increasing prosperity and peace.

American companies are providing outstanding global leadership as good corporate citizens. In many parts of the world their practices are being adopted by other companies. The Secretary of State Award for Corporate Excellence recognizes the important role United States businesses play abroad as good corporate citizens. In 2003, ChevronTexaco was recognized for its commitment to good corporate citizenship and investments in vital development and poverty alleviation programmes in one of the most challenging regions in the world, the Niger Delta. The United States Steel Corporation received an award for its positive impact on the economic, civic and cultural life of the people of Slovakia.

When the Reverend Leon Sullivan created the Sullivan Principles in 1977 to help end apartheid, he understood that a partnership between business, government and civil society was the most effective way of furthering change.

The United Nations Global Compact has built a multistakeholder process, based on nine social justice principles that promote human rights, labour rights and environmental responsibility. The United States supports the Compact's voluntary approach, which joins together companies, United Nations agencies, labour and civil society in efforts to promote human dignity in a context of freedom and prosperity.

The United States has also supported policy mechanisms that specifically focus on businesses in conflict situations. The United States-United Kingdom partnership on voluntary principles on security and human rights urges businesses to conduct comprehensive risk assessments and to try to ensure that public and private security forces do not have a record of past human rights abuses. We also recommended that companies take steps to ensure that equipment provided to security forces is used for defensive purposes only and that private personnel do not engage in military or law enforcement activities.

Under the Interlaken Declaration and Security Council resolution 1459 (2003), the United States has actively supported the Kimberley Process. This is a multilateral effort that utilizes partnerships between Governments, businesses and civil society to establish international standards for the certification of rough diamonds. The Process will substantially reduce the opportunity for the trade in conflict diamonds, which has left such a tragic legacy across Africa.

The United States also supports the guidelines for multinational enterprises of the Organisation for Economic Cooperation and Development (OECD) and ethical standards, including the International Labour Organization Declaration on Fundamental Principles and Rights at Work. We had an active role in developing the OECD Anti-Bribery Convention and the 2003 G-8 Declaration on Fighting Corruption and Improving Transparency.

We are working to bring market opportunities through the African Growth and Opportunity Act (AGOA). AGOA shows the power of trade to lift people out of poverty. Exports from AGOA nations to the United States are rising dramatically, and the benefits are felt throughout the region. In the words of President George W. Bush, "From Mauritius to Mali, AGOA is helping to reform old economies, creating new incentives for good governance, and offering new hope for millions of Africans".

Mr. Gaspar Martins (Angola): I would like first of all to express my delegation's full appreciation for the very timely convening of this meeting to discuss the role of business in conflict prevention, peacekeeping and post-conflict peace-building.

I welcome the open statement by the Secretary-General. It contains a number of key points for reflection by the Security Council and an agenda for

future work. I would also like to extend appreciation for the excellent presentations by Mr. James Wolfensohn, President of the World Bank; Mr. Heinrich von Pierer, President and Chief Executive Officer of Siemens; Ambassador Marjatta Rasi, President of the Economic and Social Council; and Mr. Dumisani Kumalo, Chairman of the Ad Hoc Advisory Group for African Countries emerging from conflict.

This initiative of the German presidency is to be commended, as it is a creative way of associating the private business sector with the discussion in this Chamber of matters that normally and primarily have been the concern of Governments.

There is general agreement on the need for a new partnership to strengthen efforts to mobilize increased resources to achieve agreed international development goals, including those contained in the Millennium Declaration. African countries should be in the front line of such efforts, as the most affected by conflicts, poverty, disease and economic marginalization. The Global Compact initiative, proposed by the Secretary-General, the Declaration adopted at the 2002 Monterrey Conference on Financing for Development, the G-8 summit meetings and the Third United Nations Conference of the Least Developed Countries, among other international conferences, demonstrated that the need for additional resources remains as important and urgent as when the General Assembly approved the United Nations New Agenda for the Development of Africa in the 1990s. We welcome the efforts undertaken by the United Nations to promote global partnerships and we encourage good corporate citizenship in the belief that the resources required for African development, especially for those countries emerging from conflict situations, cannot be met by domestic sources alone, nor from official development assistance.

It is clear that without important capital flows, particularly foreign direct investment, the long-term challenges posed by post-conflict recovery and reconstruction will persist and those countries might again be faced with the dire conditions that led them to conflict. Therefore, if the international community is to make a real contribution to sustained and lasting peace, a serious and determined effort must be exerted.

The main responsibility for preventing conflict lies with the leaders and social forces of the countries facing political and social crises. However, conflict prevention is also a joint endeavour involving the international community, including international, regional and subregional organizations, States, the business sector and non-governmental organizations. The role played by the business sector, in particular the large corporations, represented here by Siemens, should be underlined. We should also recognize their decisive contribution to formulating growth development products in most countries affected by economic, social and political crises, their decisive role in job creation and their relations with the political and social elite of those countries.

The big corporations, whose presence in some of our countries assume quite often an almost monopolistic position, can and should play a fundamental role in the prevention of conflict. They have a vested interest in the promotion of stability. To this end, they should adopt the best international practices in their dealings, and view business not exclusively from the perspective of profit but also with a view to contributing to the sound development of the countries in which they operate. Unfortunately, the lessons we have learned from the past do not reveal such an idyllic reality. More often, we have witnessed businesses, both large and small, contributing to the forces of division and conflict.

Fortunately, we have more recently witnessed an important process of change and we quite often see large corporations acting as positive forces for exchanges and progress. In this connection, the Kimberley Process, which has been frequently cited in this Chamber this morning, and to which my country has been fully associated since its very beginning, is a clear case of what can be accomplished through partnerships involving Governments, civil society and private companies in preventing conflict. In this connection, we also welcome the General Assembly's adoption, yesterday, of a resolution on the role of diamonds in fueling conflict.

To restore facilities destroyed or rendered inoperative by war, to reintegrate millions of people, refugees and displaced persons, to implement disarmament, demobilization and reintegration programmes and to simultaneously achieve internationally agreed development goals is simply not possible unless the process is supported by the international community, with the international private sector playing a decisive role.

The Council was briefed last week on the recently held Berlin Conference on Afghanistan, in which the international community reiterated its commitment to the future of that country. By securing clear political support and approximately $8.2 billion to finance the reconstruction of Afghanistan over the next three years, with $4.4 billion made available for the first year, the Berlin Conference was a model of how the international community can effectively assist a country emerging from conflict. Similar initiatives should be applied to other countries in post-conflict situations.

I would like to take this opportunity to call the attention of the Council to the situation in my own country, a post-conflict country. We are aware that the creation of a favourable political and institutional environment is a critical factor for promoting economic life and for forging a climate conducive to the sound operation of the private sector. Thus, with the end of war, Angola has decisively embarked on a path of economic reform, with the adoption of a number of business-friendly legislative measures aimed at progressively improving macroeconomic management and accountability. Allow me to cite some examples of this. Angola joined the International Monetary Fund's General Data Dissemination System in order to make key economic data more apparent and strengthen its accountability. The New Partnership for Africa's Development's African Peer Review Mechanism was also recently adopted. With the assistance of the World Bank, a comprehensive strategy to combat poverty has been put in place to accelerate the social reintegration of internally displaced persons and ex-combatants.

With these measures, the country is in a better position to pursue dialogue and build a meaningful partnership with the international community for the reconstruction of the country. Both national and international business are invited and called upon to play a key role in this process and to instil their characteristic dynamism in the economy. This will be a concrete contribution to consolidating peace, stability and the process of national reconstruction in one of the post-conflict African countries in which the Security Council recently played a pivotal role in managing and ending a conflict that lasted for far too long.

This is not the place to pass judgement on the past. Rather, we must look to the future, learn lessons and determine how the Security Council can be instrumental and play a leading role in building an alliance. In this alliance, corporations such as Siemens should be able to justly meet the challenges of creating hope and giving people a future and a world with more peace-building and less armed conflict.

Mr. Adechi (Benin) (*spoke in French*): Thank you, Mr. President, for having organized this debate on the role of business in conflict prevention, peacekeeping and post-conflict peace-building.

It is worthwhile to note that the return on investments in Africa is the highest of the last five years, amounting to approximately 25 per cent. This statistic would have us believe that flows of private investment are being massively attracted to that part of the world. But this is not the case, since investors remain cautious due to the proliferation and persistence of armed conflicts and one of its accompanying results, the disregard for the rule of law. Conflicts discourage investment. Initiatives and actions by certain investors also keep conflicts alive. The last 10 years have clearly shown the interrelatedness of conflicts' duration, the illicit circulation of light arms, the illicit exploitation of natural resources and human rights violations. In the context of a globalized economy characterized by the mobility of its economic factors, the private sector has proven to be a global actor, actively participating in governance both at the national and international levels.

Countries in conflict are characterized by a weakening, if not a collapse, of their institutions. The private sector's contribution would benefit from a well-defined regulatory framework. Such a contribution cannot replace the responsibility of the international community, in particular that of the United Nations system.

The challenges to be met are essentially the following. How do we reconcile the social responsibility of private companies with the need to envisage incentive measures? How do we find a fair balance between the ideals of peace, development and equity and the business sector's cardinal principles of profit-making and productivity? We must also ask ourselves about the private sector's ability at the conflict-prevention stage to make a substantial contribution to establishing and entrenching democracy and good governance, the lack of which is often a source of conflict.

In general, the presence of the private sector is still weak in Africa and largely depends on the public

sector and the State for its survival. In an environment in which the private sector and the State are weak, how do we establish equitable and constructive partnerships with foreign private companies? Moreover, how do we strengthen international cooperation and political will to enforce agreed coercive measures against individuals and private companies that act irresponsibly in conflict areas? How do we make such partnerships with the private sector as inclusive and as integrated as possible? More and more, the international community gives special and increased attention to countries emerging from conflict and countries in conflict. How can we ensure that this is not done to the detriment of countries striving to prevent conflict and to preserve peace and stability? In that connection, the situation of the least developed countries, which are the weakest and most vulnerable to the risk of bankruptcy, deserves more attention. Finally, we must ask ourselves how to get the private sector to join in the integrated, multidisciplinary approach for post-conflict reconstruction.

In that connection, I recall that in Abuja, in March 2003, there was a forum of business people of West Africa. The objective was to provide a platform for West African business people to consider their involvement in the implementation of the New Partnership for Africa's Development, to identify a process by which the private sector could become an important driving force for the economic development of West Africa and to consider the private sector's contribution to efforts for establishing sustainable peace in West Africa. I recall that initiative in order to emphasize that, while in the short term the involvement of the private sector in post-conflict reconstruction is desirable, it will not be cohesive unless it is part of the broader approach to sustainable development and takes into account the socio-economic causes of conflict.

In connection with the challenges I have just outlined, we await with great interest the publication of the report of the inter-agency group established by the Secretary-General in order to examine the recommendations it will make.

The President: Before giving the floor to the next speaker, allow me, due to the late hour, appeal to all members to be as brief as possible in their statements because I think it is in everybody's interest that we still have enough time at the conclusion of the meeting to give the floor to our guest speakers to respond to comments and possible questions.

Mr. Akram (Pakistan): Mr. President, perhaps it is too late for me to respond to your appeal for brevity at this time, but I shall try.

We thank the German presidency for its initiative of holding this public meeting on the role of business in conflict prevention, peacekeeping and post-conflict peace-building. We welcome the statement by the Secretary-General and the participation of Ms. Rasi, President of the Economic and Social Council, Mr. Wolfensohn, President of the World Bank, and Mr. von Pierer, President and Chief Executive Officer of Siemens, as well as Ambassador Kumalo in his capacity as Chairman of the Ad Hoc Advisory Group for African Countries emerging from conflict. The Secretary-General's opening remarks have set the tone for today's meeting, and the statements by the other participants have provided very useful insights.

Although the maintenance of peace and security is the primary responsibility of States, business, as the Secretary-General has said, has a stake in peace and can play an important supportive role in conflict situations, particularly in post-conflict reconstruction.

In today's globalized world, transnational corporations and international business transactions play a major role in influencing economic and political relations among States and non-State actors. World business holds the greater share of the world's capital and technologies — and even jobs. The net worth and sales of major corporations are often larger than the gross domestic product of small and even some medium-sized developing countries. These transnational corporations greatly influence the economic, social and political destinies of States. The extent of that influence increases in inverse proportion to the size of a given State and in direct proportion to the openness of a State's economic and trade regime and particularly its dependence on raw materials and agriculture for exports and growth. Thus, transnational corporations and business have considerable potential for good as well as for bad, especially in the developing countries.

The developing countries that have registered the strongest economic and trade growth in the past few decades are those that benefited from large inflows of foreign direct investment — mainly through transnational corporations and international banking — rather than through official development assistance, which has so far been modest. But foreign direct

investment flows have been limited to only a few dynamic developing countries. Last year, 70 per cent of total foreign direct investment flows went to only 10 developing countries.

Unfortunately, the profit motive — the bottom line of the balance sheet — which is understandably the prime motivating factor for the strategic and operating decisions of business, including transnational business, is not always compatible with the national economic, social and political objectives of the countries concerned. Much of the decline in the terms of trade and export earnings of commodity-producing developing countries has been due to the constructed control of prices by cartels and sometimes by large transnational corporations. That has contributed progressively, over the decades, to the pauperization of many developing countries and the decline in their social and economic conditions, intensifying the causes of domestic social and political tensions that have erupted into conflicts in various parts of the world. A World Bank report has found that States that are highly dependent on natural resources exports are at greater risk of armed conflict than those that are resource poor. That is an irony.

The rigid approach adopted with regard to the issue of the mounting debt of the developing countries has resulted in a consistent net export of financial resources from the developing countries to the developed countries. Last year, the net financial transfers to the developing countries were a negative $192 billion. Those countries' total debt servicing amounted to more than $340 billion last year. Net capital flows to the developing countries amounted to only $74 billion.

There are, unfortunately, also certain direct actions which contribute to the outbreak of conflicts. The Secretary-General has mentioned private business, which produces and provides the hardware for arms used in most armed conflicts. These are the real weapons of mass destruction. Worse still are those unscrupulous businesses which resort to the exploitation of natural resources in supporting militias, factions and warlords in order to facilitate their profits and protect their investments. Several United Nations panels of experts have concluded that the illicit exploitation of natural resources, particularly timber, diamonds and other minerals, by warring factions has sustained conflicts in many African countries.

The adoption by the General Assembly of various resolutions on the role of diamonds in fuelling conflict and the support for the Kimberley Process certification scheme was significant not only in breaking the link between the illicit transaction of diamonds in armed conflicts, but also in intensifying the debate on the need for business to adopt socially responsible policies in conflict situations. A University of Michigan Business School study on the role of business in conflict situations has identified the following five ways in which business can support peace in conflict situations: first, by adopting corporate social responsibility; secondly, by spurring economic development; thirdly, by accepting accountability and supporting the rule of law; fourthly, by building a sense of being part of the community in which it works; and fifthly, by engaging in track-two diplomacy.

Much debate has gone into the question of the adequacy of voluntary codes of conduct, such as the Kimberley Process certification scheme or the Secretary-General's Global Compact initiative to ensure corporate humanitarian responsibility. The majority view is that such voluntary codes, though noble, do not contribute strong incentives for compliance to offset the financial incentives for non-compliance and the lack of rigorous enforcement of such codes. Pakistan shares the view that voluntary codes adopted by business, though valuable, are often not sufficient. We therefore support the view that the activities of business could be governed by a more effective framework that not only creates responsibilities and rights, but that also ensures corporate responsibility and accountability, including respect for the legal rights not only of business, but also of the citizens and communities that are involved.

Such a framework could be based on the principles and purposes of the Charter and respect for international humanitarian law. It could be developed through the United Nations in the cooperative Monterrey process. It could include the five areas mentioned by the Michigan study. It could cover corporate behaviour in every phase of a conflict. It could ensure transparency in commercial transactions. It could provide possibilities for redress. Lastly, it could include a mechanism for monitoring, which would be most valuable.

Mr. Wolfensohn earlier this morning said that the cause of conflict is the lack of hope and that hope can be given by business through the creation of jobs. In

our view, the best contribution that international business can make to promoting peace and security is by actively and consciously supporting balanced socio-economic development in the developing countries. International business could do so by taking some specific actions, such as, first, adopting conscious measures to direct foreign direct investment to a wider spectrum of developing countries, especially the poorest among them, through such means as international investment guarantee schemes; secondly, adopting a more supportive posture towards debt relief for the poorest countries; thirdly, adjusting business strategies to locate the processing of raw materials in the producing countries; and fourthly, supporting greater trade access for developing country exports, especially through the elimination of tariff peaks and tariff escalation, which are discriminatory, and through reform in the system of agricultural subsidies and support that is resorted to by major developed.

Finally, let me add another thought. The profits of transnational corporations and of financial institutions from international business amount to hundreds of billions of dollars, with total sales of over $2 trillion a year for the largest 50 corporations in the world. Is it possible for these corporations and institutions to consider allocating 1 per cent of their net profits to development assistance for the poorest countries, perhaps through an international fund managed jointly through the United Nations and the World Bank? This would be a tangible and direct contribution to development and, indirectly, to conflict prevention, conflict resolution and post-conflict reconstruction. Some corporations are already doing this. Can this become the norm for all and thus create the jobs and hope to which Mr. Wolfensohn referred?

In the words of the Secretary-General, we are not asking corporations to do something different from their normal business. We are asking them to do it differently.

Mr. Isakov (Russian Federation) (*spoke in Russian*): Globalization has made business not only a key player in the global economy, but also an important factor in global policy. The expansion of partnership relations between the United Nations and business, provided for in the Millennium Declaration, is an imperative of our times and should be encouraged to the extent to which such cooperation is in keeping with the spirit and letter of the United Nations Charter, above all in the social and economic sphere, is mutually beneficial and works to strengthen the authority of the Organization.

It is precisely in that broad context that we view Germany's initiative to discuss, within the framework of the Security Council, the role of business in conflict zones. The Council's debate, enhancing the political significance of the problem and enriching it through the Council's experience in dealing with crises in a number of African countries and other flashpoints, seeks to contribute to the elaboration by the General Assembly and the Economic and Social Council of an integrated approach to the interaction between the United Nations system and the private sector in the interests of development and of achieving the Millennium Development Goals.

As regards interaction between the business community and the United Nations in conflict prevention, peacekeeping and post-conflict peace-building, one starting point methodologically could be the fact that it is precisely business that must support and supplement the peacekeeping efforts of the Security Council and the United Nations as a whole, and not the other way around. Moreover, the parameters for such interaction must be drawn up in a dialogue with the private sector, taking into account its own specific approaches. The forthcoming Global Compact Leaders Summit on 24 June could be a useful forum in which to elucidate those approaches. Furthermore, it may be possible to organize a discussion of these issues in the context of the United Nations regional economic commissions. Such a dialogue could become even more substantive and more closely linked to the practical tasks ahead through the convening of individual focused discussions between representatives of the United Nations and interested business circles regarding subregions and specific flashpoints that are subject to crises.

In principle, the idea is of interest that, in zones of conflict, business would act on the basis of a voluntary system of self-regulation that would promote the avoidance of conflict and the settlement of its consequences. Universally recognized principles that must guide responsible businesses in normal circumstances — such as respect for human rights and non-participation in improper political activities, in particular activities likely to involve violations of human rights and gender equality — take on particular significance in conflict zones. Here, we must build on existing groundwork in the framework of the Global

Compact and on the positive experience gained in the Kimberley Process.

But it is clear that voluntary self-restraint measures based on purely ethical standards and universally recognized principles are not in themselves a panacea. It is therefore important to be guided at the same time by existing international legal principles and norms and to make full use of existing early warning and conflict prevention techniques and mechanisms which have proved their effectiveness.

Turning to the work of the Security Council, it should focus first and foremost on issues related to the creation of the political conditions necessary to taking advantage of the positive potential of business to promote post-conflict peace-building. Here, it is critically important to ensure the required transparency and to draw up clear and understandable rules for the activities of foreign companies in the markets of States that are engaged in post-conflict reconstruction. Such rules and procedures must be based on principles of political impartiality, equality and fair competition.

One promising area could be strengthened interaction between the Council and the Bretton Woods institutions with a view to promoting the timely involvement of those institutions in post-conflict reconstruction; that, in turn, would create a favourable climate for private-sector involvement in various individual aspects of peace-building.

Ms. Menéndez (Spain) (*spoke in Spanish*): Preventive action and, in general, the maintenance and building of peace require a global approach that involves the international community as represented by the United Nations, regional organizations, affected Governments and their neighbouring States, as well as civil society — which must always have an important supporting role to play, as the General Assembly emphasized last summer in its resolution 57/337, on prevention of armed conflict.

We all agree that the best way to avoid the outbreak of conflict is to build democratic societies in which good governance and the rule of law are the norm and in which economic growth is sustainable. Here, the role of civil society is of great relevance. Economic stability is a key precondition for the consolidation of any peace process, and attaining such stability is thus an essential objective that must be reached through the concerted efforts of the authorities, which must make rational use of natural resources, and of civil society — and in particular the business sector — which must participate responsibly in the reconstruction process. When necessary, that must be complemented by support from the international community.

It is also essential that the business sector not contribute to economies that support a given conflict. Here, for example — and in accordance with Security Council resolution 1343 (2001) — it is our view that all Member States must take appropriate measures to ensure that individuals and companies in their jurisdictions observe the embargoes put in place by the United Nations.

Sir Emyr Jones Parry (United Kingdom): I am grateful to you, Mr. President, for raising this important issue, and to those who have already contributed to today's debate. The private sector clearly has a crucial role in promoting global economic prosperity and sustainable development. Zones of conflict present a particularly challenging environment for business. The Secretary-General is to be congratulated on his initiative to launch the United Nations Global Compact, which sets out principles to help businesses contribute to global sustainable development, thus reducing the risk of conflict. The United Kingdom is pleased to contribute to the costs of the Compact.

The key question is how business can play a positive role in conflict situations. We should expect business activities, as a minimum, not to make conflict worse. But business can and does make positive contributions to development and economic prosperity, creating jobs and hope, as the President of the World Bank put it. That is indeed key. But business can also help develop the rule of law, for instance through securing investments, defining property rights, forming contracts and building up a body of commercial law. And individual local business leaders have a clear role themselves in working to transform the societies in which they operate.

In terms of best practice, non-governmental organizations and others have prepared specific advice for business with respect to its behaviour in zones of conflict. These underline the importance of companies doing the following: respect human rights, their employees and those on whom their operations have an impact; avoid abuses of human rights by security forces acting in protection of their security; insist on maximum transparency; make it clear that they will not

accept or tolerate corrupt practices; and signal clearly when their experience suggests that conflict may be emerging.

Again, in conflict situations, companies should refuse to do business or engage with any of the following: individuals, companies or entities known to have benefited from the direct assistance of combatants; those supplying arms to forces involved in the conflict; those connected with the smuggling of natural resources; or those seeking to take advantage of instability to secure lucrative contracts or concessions.

Many companies, of course, support such good practice. The British Government is engaged in several initiatives designed to encourage and support good practice in business behaviour: first, as my colleague from the United States has already alluded to, the voluntary principles on security and human rights in conflict zones; secondly, as the Secretary-General referred to, the extractive industries transparency initiative; and thirdly, the Kimberley Process, which has already been mentioned by a number of colleagues. Those kinds of initiatives offer new ways and means to promote effective contributions from business to conflict prevention and resolution.

But the role of business in conflict zones is particularly acute in Africa. Africa has historically suffered from many conflicts involving disputes over control over exploitable resources. Today, one of the three major ongoing conflicts in Africa involves natural-resource issues, and several African countries emerging from conflict have been experiencing disputes over control of those resources. Africa desperately needs private investment in its economic development. The New Partnership for Africa's Development (NEPAD) has a crucial role to play in this. Its focus both on the resolution and prevention of conflict and on the promotion of the private sector provides the basis for expansion. We note and welcome work already under way to create standards in the exploitation and management of resources in conflict areas. We also welcome the NEPAD initiative under way in South Africa that commits businesses to conducting their affairs in compliance with high ethical standards on corporate social responsibility. In general, let me take this opportunity to underline the importance of NEPAD to African development and the importance of maximal international support for that welcome initiative, especially as we approach next year's fifth anniversary of the Millennium Declaration.

In conclusion, I would like briefly to say that it is not the role of business to take the lead in resolving conflict. But business can make a significant contribution. It is in that context that the countries involved should do the following: encourage businesses to be aware of the vital role they have to play and the damage they can do if they do not behave responsibly; and advise businesses on the operating environment in conflict zones and encourage them to carry out risk assessment and management.

Our hope is that the Council today will encourage all States to play their part in advising and encouraging business in that way, and to accept a particular responsibility to do so in relation to companies headquartered in their own territories.

Mr. Baja (Philippines): We congratulate you, Sir, on your presidency and thank our four honoured guests for enriching our debate. As the thirteenth Council member to speak on this item, almost all that should be said has already been said. Allow me, therefore, to recall the parable of the greatest man.

A very religious and wealthy businessman was at a business conference. To add some excitement, he proposed a contest among a group of friends composed of an Italian, an American, an Englishman and a Chinese man. He announced: Friends, I will pay your hotel bills for a week and award a construction contract for the reconstruction of Gloritania to anyone who can identify the greatest man who ever lived. The Italian said it must be Christopher Columbus because he discovered the United States of America. The American said it must be George Washington because he led the United States to become one of the most powerful countries in the world. The Englishman said it must be Winston Churchill because he led us to do our best during our worst time and he is known for his wit and eloquence.

All of this was rejected by the businessman. Then came the Chinese man who said the greatest man who ever lived was Jesus Christ. Correct, said the businessman. I will arrange to pay your bill. You won the contract. As the Chinese shook hands with the businessman, the latter said, congratulations for winning by naming the greatest man on earth. However, I am even more impressed, considering that you are not a Christian. Well, said the Chinese man, I still think honestly that Mao Tse Tung was the greatest man, but, you see, business is business.

This is not the theme of our intervention. It is to say, in a brief form, that for better or for worse, business plays a big role in international life. The private sector is a global partner in conflict prevention and post-conflict reconstruction. In times of peace, business is an engine of economic growth and in times of post-conflict reconstruction, business becomes an instrument for sustainable peace and development.

Multinational corporations and even small and medium enterprises have a role in creating wealth and in promoting socio-economic development. Directly or indirectly therefore, they have a role in contributing to the prevention and resolution of conflict.

The role of business, however, can be positive or negative, or a combination of both, depending on the situation. Economic growth helps improve situations of existing or potential conflict, but it offers a double-edged effect because if the benefits of economic growth are unevenly distributed, they can increase rather than decrease the potential or existence of conflict. Moreover, in post-conflict situations, there is a tendency for violent conflict to arise or resurface if economic development is not accompanied by the strengthening of social and civil institutions.

Already, some companies are becoming aware of their negative and positive impacts on society. Other companies, however, including those involved in the arms industry or in the illegal drug trade, are being identified as direct causes of violent conflict. The question is, how will the Security Council address that concern?

While business plays a crucial role in conflict prevention and post-conflict situations, the more crucial question is how to harness that role in order to safeguard global peace and security. The Philippines believes that appropriate support systems should be established.

First, an enabling environment should be created so that the private sector can conduct its business. Business establishments cannot do this alone. The enabling framework for preventing and resolving violent conflict must first be in the hands of the Governments themselves at the national and international levels.

Secondly, there is a need to forge partnerships between the public and private sectors. Partnerships are a valuable mechanism for addressing policy issues.

Thirdly, economic development should be accompanied by the strengthening of the social, capital and civil institutions that are essential in post-conflict situations. They are necessary in order to prevent the re-emergence of violent conflict.

Businesses often breathe and think with their pockets. But they can also take a proactive stance during the post-conflict period. They can participate in truth and reconciliation commissions, support weapons hand-ins, amnesties and demobilization programmes. They can also provide funding and managerial support to build the capacity of government services, including judicial systems and police forces.

The Prince of Wales Business Leaders Forum in 1998 has identified major areas that provide useful frameworks for preventing and resolving conflicts. As the Council on Economic Priorities has aptly put it,

> "The challenge of conflict prevention and resolution is about values-based relationships at every level of the company and at every level of the society. The question of whether a company contributes to conflict or helps to prevent it, depends on the values, policies, and operating guidelines of the company and the way its employees and business partners accept, interpret, and implement these."

The same is true for the international community. The prevention of conflict and the maintenance of peace depend upon the values, rules and norms of the international community, and the way countries accept, interpret, and implement those norms.

Mr. Sardenberg (Brazil): Our delegation welcomes the opportunity to participate in this enriching exchange of views. We appreciate your bringing before us today the very challenging subject of the role of business in conflict prevention, peacekeeping and post-conflict peace-building.

We do not underestimate the influence of complex internal and external economic interests in conflict. In many instances, economic factors such as disputes over natural resources or international markets may have contributed to generate or escalate war. Nevertheless, companies also have a lot to lose with war and conflict. Business is normally built on the basis of an aversion to risk, and a stable political and social environment actually means reduced risk. Business also has a clear interest in reducing risk by

working towards conflict prevention and helping reconstruct economies after war.

This morning, Mr. von Pierer, speaking for Siemens, provided us with a good example of a business vision, and of the contribution it can give to peace-building efforts.

The primary and most evident role of business activity in promoting peace and stability is the generation of wealth. Business activity creates opportunities for desperately needed income generation in war-torn countries. When business is on the rise, so is investment, employment and the availability of essential goods. Infrastructure and technology development will also benefit from increased economic activity. That gives people hope, as was stressed by the President of the World Bank, Mr. James Wolfensohn.

Companies also contribute to peace through the empowerment of communities. Their comparative advantages can be used in areas such as human resources and management skills development, support of civil society, economic empowerment and promotion of equitable hiring and better labour standards.

Private business may also assist in conflict management, either by refraining from assuming attitudes that would worsen the conflict or by acting within the framework of a coherent national development policy, thus contributing to economic sustainability. The private sector can contribute towards implementing governmental programmes, including in the fields of foreign aid and humanitarian assistance and in partnership with local authorities and the international community. In that context, the role of regional and subregional cooperation acquires particular importance.

Last week, we were pleased to hear accounts of how regional cooperation is helping rebuild infrastructure in Afghanistan and how regional joint action is being taken to face drug trafficking, which constitutes a central problem for that country and, in the end, for all of us. Regional economic development strategies lead to sustained stabilization and must be regarded as an important dimension of peace-building efforts.

We must remain aware, though, that the private sector alone, acting out of enlightened self-interest, will not create the ideal environment for promoting peace. Its action, important as it is, is not a substitute for the essential role played by public authorities. The latter have primary responsibility for providing incentives for economic activity, investing in social and economic development, encouraging partnerships and carrying out sound public policies in areas such as trade, agriculture and industry. Decisive action by public authorities in those areas must be supported by intergovernmental organizations and peacekeeping agencies.

On a broader scope, public authorities must also be able and willing to take measures related to the rule of law, property rights and sound economic management, and be ready to fight corruption. Those measures will help create a favourable environment for the development of business and its engagement in recovery and reconstruction efforts. Special attention must be paid to incentives offered to small and medium enterprises, due to their potential for job creation.

On the one hand, the benefits of business engagement in promoting economic development and social justice are very significant and must be especially encouraged in reconstruction programmes. On the other hand, in order to prevent negative involvement of business actors in conflict, their activity must be subject to public scrutiny and, not least, good practices must be publicly recognized.

The case of conflict diamonds offers a good example of how the international community can act to curb the negative effects of trade. We welcome the fact that yesterday the General Assembly adopted a resolution strongly supporting the Kimberley Process for international certification — an important tool in the effort to reduce the role played by the diamond trade in financing armed conflict. Security Council resolution 1459 (2003) also supports the ongoing Process, and Brazil has incorporated it in its domestic legislation.

In the field of setting standards for corporate practices, we note with great satisfaction the Global Compact initiative launched by the Secretary-General three years ago. In the effort to create a more inclusive and sustainable global economy, the programme has brought together businesses and United Nations agencies, workers' associations and civil society, helping promote fundamental principles of corporate citizenship and increase corporate support for corporate responsibility practices. Many Brazilian enterprises

participate in the Global Compact initiative, which is firmly supported by our Government.

Brazil favours a closer cooperation between business and the United Nations. The role of business in conflict management is being increasingly taken into account by development initiatives. The New Partnership for Africa's Development, which was already referred to here, launched in 2001, helps fight poverty, underdevelopment and marginalization in the continent. It incorporates the idea of mobilizing resources with private sector participation to contribute to creating a favourable environment for conflict prevention and the prevalence of peace.

History offers a number of examples of involvement of business in international and intra-State conflict. The new modern international awareness of the role of business and its responsibilities in times of conflict will certainly help make business a firm ally of peace, together with the United Nations family, the international financial institutions and non-governmental organizations. In particular, we share the views expressed by the President of the Economic and Social Council, Ms. Rasi, to the effect that much more can be done by the General Assembly, the Security Council and the Economic and Social Council, working together, to develop a comprehensive and more rapid response to countries in special situations and also to envisage a long-term perspective towards both sustainable development and conflict prevention.

Ambassador Kumalo recalled the instances of cooperation being provided to Guinea-Biseau and Burundi. We believe that such cooperation should be expanded. Active business participation is crucial, not only for economic development but also for social justice, and has a sure impact on peace-building. The Brazilian delegation is ready to participate in all efforts towards enhancing the cooperation between the United Nations and the business sector in conflict prevention, peacekeeping and post-conflict peace-building.

The President: I will now make a statement in my capacity as a representative of Germany.

First, my delegation would like to thank the guest speakers for their contribution to this discussion. I will not repeat what has been said already by previous speakers; I will merely restrict myself to a short statement on two aspects that are important to my delegation. One is the whole complex of entrepreneurial responsibility, the so-called global corporate citizenship, and the other is the huge potential for private sector activity in any development or reconstruction strategy.

The issue of corporate citizenship in zones of conflict has generically not been dealt with by the Security Council. Yet the Council has given attention to the involvement of the private sector in countries and regions experiencing violent conflicts through various resolutions pertaining to individual cases. The Council has, for example, imposed sanctions in an attempt to end hostilities by reducing the opportunities for combatant self-financing through trade in conflict commodities. Diamonds and timber can be named in this regard. The Secretary-General has prominently addressed the issue of corporate citizenship through his Global Compact initiative, and the Global Compact policy dialogue has turned out to be very successful, committing to date over a thousand companies and organizations to voluntarily engage in socially and ecologically responsible and sustainable business practices.

My second point is that private sector activity in the post-conflict phase of reconstruction is essential to sustainable resolution of conflicts, as such activity projects political stability and helps to prevent the possible resurgence of conflicts in the future. Multinational corporations, working in partnerships with Governments, international organizations, non-governmental organizations and civil society, can use their business skills and financial leverage to promote regional stability. In countries in which peace efforts are foundering, a tangible promise of employment, trade, direct investment and the promotion of local enterprise can have a major effect. Ideally, corporate participation would provide twin benefits: investment with resulting jobs and business opportunities, and provision of managerial know-how and expertise. Other actors in the field — the United Nations, the international financial institutions, non-governmental organizations and civil society — would profit in their own efforts to overcome a conflict situation.

Yet in the end, it is not for Governments or international organizations to decide what is in the best interest of the private sector. Companies will make their own decisions, weighing opportunities against risks of engagement in zones of conflict. The United Nations, the international financial institutions and national Governments, in this regard, are called upon to create the necessary framework for private sector

engagement. The question of what can be done to adequately address the risks the private sector runs in engaging in post-conflict situations is crucial in this context.

Equally important is a clear perspective for the creation of a stable legal framework, the rule of law, adequate administrative structures and the establishment of a viable private sector. A stabilized region is a precondition for successful development at the country level. A lucid example of that is, in spite of many tasks still ahead, the Stability Pact for South-Eastern Europe. This Pact incorporated three crucial elements — first, a coherent political, economic and security approach; secondly, the close cooperation of all relevant stakeholders; and, thirdly, the regional dimension of conflict resolution.

Private sector engagement in all phases of a conflict can be successful only if it is embedded in a broader concerted effort accompanied by strong partnerships among Governments, international organizations, business and civil society. In conclusion, I would therefore like to encourage the relevant United Nations bodies and agencies, including the Bretton Woods institutions, as well as civil society, to cooperate closely with the private sector, to support a climate of peace in conflict-prone regions, to help mitigate crisis situations and to contribute to reconciliation processes. I take note of, and warmly welcome, the Secretary-General's suggestion that the Security Council should, in the future, focus greater attention on this issue.

I shall now resume my functions as President of the Council. I call on Mr. Wolfensohn, President of the World Bank, to respond to comments and possible questions raised.

Mr. Wolfensohn: I think there is such a rich array of comments that, at this stage, to try to respond to all of them would not be a good idea. Let me say simply that I have been greatly impressed by the discussions this morning. In fact, as any members retire, they would be welcome on the Board of the World Bank, if they are looking for a different career, because it is clear that there is a significant community of interests between the work of this Council and the work of the Bank.

The one thing that I am frustrated about is that I am unable to articulate to members the extent to which we are already engaged in the issues of framework for business, demobilization, dealings with low-income countries, ensuring investments of leading small- and medium-sized enterprise financing, advocating trade and working on the New Partnership for Africa's Development. Our institution is right in the middle of many of the individual issues that members have raised. Let me simply say that we welcome this additional opportunity to work with the United Nations system. If the Council does indeed follow the suggestion that the subject of today's discussions become a point of greater emphasis in the Council's deliberations, we stand ready to work with and support the Council in any way it would find useful.

The President: I call on Mr. Heinrich von Pierer, President and Chief Executive Officer of Siemens.

Mr. von Pierer: I will make three brief remarks. First, I understand that there are concerns about how business can find the right balance between profit-making and good corporate citizenship. I think it is possible to find such a balance and, in my opinion, there is no doubt that it is absolutely mandatory to do so because business also wants to live a world of peace and prosperity. The representative of the United States gave impressive examples of successful companies receiving awards for their good corporate citizenship. There are more such good examples. You, Mr. President, referred to the Global Compact initiative. I think participation in this initiative is also an example of how business takes seriously being successful in the area of corporate citizenship.

Secondly, I would like to come back to the necessity to fight poverty and the lack of hope. In that context, I would be glad if we could achieve broad cooperation among the United Nations, the World Bank, Governments and private companies to promote education through a broad and systematic approach. I would like to reiterate what has been said this morning — people want hope for their children. A project for education for peace and prosperity could be a very effective way of promoting conflict prevention, peacekeeping and post-conflict peace-building.

My third remark is only to thank the Council again for giving me the opportunity to participate in this important and very productive meeting this morning.

The President: I call on Ambassador Marjatta Rasi, President of the Economic and Social Council.

Ms. Rasi: As has been stated by the two previous speakers, there is a lot one could say, but at this late stage I will only raise a few issues.

It was mentioned by many, if not all, speakers that sustainable economic growth is indeed a key to conflict prevention. This is an area where we need very good cooperation among the United Nations family, Governments, civil society, non-governmental organizations and the private sector.

The question is how, in the years and months to come, do we bring these multi-stakeholders together so that we can really work together in promoting these good ideas? When we, in this building, discuss conflict prevention and peace-building, how can we then have the other stakeholders sit together with us around the same table? This is something we should discuss, as we should also discuss how we can, within the United Nations system, have closer cooperation in these fields.

On my behalf, I would like to thank you, Mr. President, for this very important and valuable initiative, and I do hope that we will continue this important debate.

The President: Please allow me two minutes to make a concluding statement on behalf of the Council. I would like to conclude today's debate by underlining a few facts that can be taken from virtually all statements made today.

First, business indeed does have an important role to play in conflict resolution. Secondly, the modalities of engagement of the private sector may vary according to the circumstances of the case, but we have a number of examples with lessons learned both at the national and the regional levels. Thirdly, while there will be no guarantee for the successful resolution of a conflict because of private sector engagement, it seems clear that without participation of business, resolving violent conflicts will be virtually impossible.

Fourthly and lastly, the main United Nations bodies, as well as the major stakeholders within and outside the United Nations system, including the World Bank and other international financial institutions, should work together in close partnership with the private sector in creating the necessary political, security, economic and financial framework. I hope that this debate can contribute to further enhancing the role of the private sector in conflict prevention, peacekeeping and post-conflict peace-building. I intend to circulate a summary of this meeting in due course.

Finally, I would like to thank all speakers for their contributions, but particularly our guest speakers, whose engagement in today's discussion has highlighted the importance of the issue at stake. We all appreciate very much that they made the effort to come here to participate in our discussion.

There are no more speakers on my list.

The Security Council has concluded the present stage of its consideration of the item on its agenda.

The meeting rose at 1.20 p.m.

United Nations S/PV.4944

Security Council

Fifty-ninth year

Provisional

4944th meeting

Friday, 16 April 2004, 10 a.m.

New York

President:	Mr. Pleuger	(Germany)
Members:	Algeria	Mr. Baali
	Angola	Mr. Gaspar Martins
	Benin	Mr. Zinsou
	Brazil	Mr. Sardenberg
	Chile	Mr. Muñoz
	China	Mr. Wang Guangya
	France	Mr. De La Sablière
	Pakistan	Mr. Akram
	Philippines	Mr. Baja
	Romania	Mr. Motoc
	Russian Federation	Mr. Gatilov
	Spain	Ms. Menéndez
	United Kingdom of Great Britain and Northern Ireland	Sir Emyr Jones Parry
	United States of America	Mr. Negroponte

Agenda

The situation between Iraq and Kuwait

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04-31175 (E)

The meeting was called to order at 10.17 a.m.

Adoption of the agenda

The agenda was adopted.

The situation between Iraq and Kuwait

The President: The Security Council will now begin its consideration of the item on its agenda. The Council is meeting in accordance with the understanding reached in its prior consultations.

At this meeting, the Security Council will hear a briefing by Mr. John Negroponte, the representative of the United States.

Mr. Negroponte (United States of America): On behalf of the Member States contributing forces, I am pleased to report to the Security Council on the efforts and progress of the multinational force authorized under Security Council resolution 1511 (2003). Together with our multinational force partners, the United States remains committed to a secure, stable and democratic Iraq at peace with its neighbours. To that end, the multinational force and Iraqi security forces are working together to provide security for the Iraqi people and to defeat those who seek to destabilize Iraq.

The Security Council adopted resolution 1511 (2003) in the wake of a series of violent incidents directed against the Iraqi people and members of the international community, including the United Nations. Resolution 1511 (2003) recognizes that international support for the restoration of conditions of stability and security in Iraq is essential for the well-being of the Iraqi people, for their ability to elect a new Government under a permanent constitution and for the ability of all concerned to carry out their work on behalf of the people of Iraq.

The events of recent days demonstrate yet again that there are those who believe that they should decide Iraq's political future through violence. Yet only peace and justice, enforced by the rule of law and not by the gun, and freedom from fear of terror or a return of former regime elements will enable all Iraqi citizens to participate fully in political and economic life. All of us gathered here mourn the loss of life in Iraq, among members of the multinational force and Iraqi and international civilians. But let me be very clear: we will stay the course.

In addition to the United States, the multinational force comprises more than 30 countries contributing a total of approximately 24,000 personnel. The multinational force is divided into three sectors: centre-south, south-east and northern Iraq, which includes Baghdad. Forces in all sectors are engaged in stability operations, reconstruction efforts, the training of Iraqi security forces and civil affairs training.

As recent days have vividly demonstrated, threat elements continue to challenge all those who are working for a better Iraq. We have witnessed ambush and mutilation, riots and attacks, perpetrated by three groups: insurgents including former regime loyalists, terrorists who have infiltrated Iraq and militias affiliated with radical elements. The violence has been terrible and the losses great.

In fulfilling the Security Council's mandate "to contribute to the maintenance of security and stability in Iraq" (*resolution 1511 (2003), para. 13*), the multinational force has conducted the full spectrum of military operations, which range from the provision of humanitarian assistance, civil affairs and relief and reconstruction activities to the detention of those who are threats to security, looking for and securing weapons that threaten Iraq's stability, intelligence-gathering and, when necessary, offensive combat operations against insurgents, terrorists and others.

Against the backdrop of continued threat, the multinational force has performed or assisted in many humanitarian and reconstruction activities throughout Iraq, in all of the division sectors. Assistance has been provided by all soldiers, sailors, airmen and marines assigned to the multinational force as well as by civil affairs personnel. The initial focus of humanitarian and reconstruction activities was the restoration of essential services for restoring electricity to homes, public facilities and business. That was critical to returning normal life to the Iraqis.

Engineering units have been key in helping restore power to levels that now exceed pre-conflict levels in both the North and the South of Iraq, and units of the multinational force have helped to provide security for key infrastructure until the Iraqi Facilities Protection Service could take on that role. Multinational force engineering units have helped repair numerous bridges, ports, roads and railroads.

But multinational force units have been involved in much more than large engineering projects.

Multinational force tactical units have assisted in local construction projects throughout Iraq, resulting in the construction and repair of schools, hospitals, post offices and other public buildings. Multinational force explosive ordinance disposal units have disposed of thousands of tons of captured or found Iraqi ammunition, including mines. Multinational force medical units have treated Iraqi civilians throughout the country and have assisted in children's vaccination programmes. All multinational force units in all sectors have assisted in the distribution of the new Iraqi dinars over the past several months.

Perhaps the longest-lasting contribution multinational force units may make is in the area of local governance. Civil affairs personnel have been crucial elements of the seed of Iraqi democracy, working daily to help Iraqis form the basis of a civil democratic society. These civil affairs personnel are active in all 18 governorates and have helped form 17 governorate councils, 78 city councils, 102 district and sub-district councils and 138 neighbourhood councils, giving a genuine political voice to millions of Iraqis for the first time in decades.

In addition to the broad-based efforts of the multinational force that I have described, one of its key long-term objectives is to recruit, train and equip Iraqi security forces in preparation for their assumption of the responsibility for maintaining security and enforcing the rule of law. This is both a major challenge for the multinational force and a work in progress, requiring continued multinational force support. The multinational force has made significant progress in standing up Iraqi security forces, given the vacuum created by the dissolution of the Iraqi police and armed forces when Iraq was liberated.

Despite the increase in attacks targeting Iraqi security forces, Iraqis continue to join and the multinational force is methodically working to build professional entities to provide a stabilizing influence, from routine civil policing to combating terrorism throughout the country. Iraqis know the rhythms of their neighbourhoods, the language and the culture and are best equipped to provide a long-term security solution. Their involvement is therefore critical to combating successfully threats from hostile elements that remain currently active in Iraq.

At the beginning of April 2004, approximately 200,000 members of Iraqi security forces were either on duty or in training. Clearly, however, numbers are only part of what makes security forces effective. The development of competent leaders is critical and takes time. The multinational force will be engaged on a priority basis in both the development of leaders and in specialist training in the months ahead.

In February, when I reported on the implementation of resolution 1483 (2003), I provided a comprehensive description of the various Iraqi security forces — specifically, the Iraqi Civil Defence Corps, the Iraqi police service, the Facilities Protection Service, the new Iraq armed forces and border security. I would like to take this opportunity to provide the Council with a brief further update.

The Iraqi Civil Defence Corps, which now totals approximately 32,000 Iraqis, is designed to support local and regional police efforts. The Civil Defence Corps performs a range of duties, including fixed-site security, convoy security, patrols, cordons, the establishment of checkpoints and other tasks under the operational control of the multinational force.

The Iraqi police service also has continued to grow and, as of the beginning of April, over 75,000 police officers were on duty or in training.

The Facilities Protection Service, charged with protecting Iraq's strategic infrastructure, Government buildings and cultural and educational assets, also has increased in number to approximately 74,000 personnel overall. From 1 March of this year, each of Iraq's ministries has responsibility for the hiring, payment, equipment and training of its individual guards.

As of 9 April, the Iraqi armed forces had nearly 4,000 personnel on duty, many of whom have participated in military operations against insurgents and terrorists under the operational control of the multinational force.

Lastly, the Iraqi border police and immigration and customs inspectors totalled approximately 23,000 at the end of March. Necessary equipment is flowing in and training has been integrated into the Baghdad Public Service Academy. I note that, while we have made substantial progress in securing Iraqi borders, much work still needs to be accomplished.

I have just described the range of Iraqi security forces and want to stress a related issue that has become all the more critical in light of recent events. As President Bush stressed on 13 April, there is no

place for armed militias in Iraq. Our objective is to establish the rule of law in a democratic Iraq and to prevent any party from exercising influence through violent means. Many Iraqis have expressed strong support for the end of militias and armed groups outside of the legitimate Iraqi security services. The Coalition Provisional Authority is engaged in productive negotiations to ensure the transition and reintegration of all armed organizations not under Government control. Progress has been made, but we will have no choice but to deal firmly with those who refuse to negotiate.

Resolution 1511 (2003) authorized the multinational force to contribute to the security of the United Nations Assistance Mission for Iraq. The United States is committed to working with the international community to ensure that the security needs of the United Nations are met, both before and after 30 June. In January of this year, a United Nations team of security experts began working in Iraq to establish a strong relationship with the multinational force to facilitate the return of international United Nations personnel. We continue to work with the United Nations team to this day, including in such areas as identifying potential facilities for United Nations operations, and we have worked closely with United Nations security personnel in coordinating effective security for the important United Nations missions which have been deployed to Iraq — the teams of both Ambassador Brahimi and Miss Pirelli — in support of their work.

With the support of the United Nations, the United States has begun to solicit force contributions for the protection of a broad-based United Nations mission, whose role will be further defined by Security Council action. Operating as part of the multinational force, such forces would be dedicated solely to providing security for United Nations personnel and facilities. I believe that I do not overstate the broad desire within the international community for the United Nations to return to Iraq to play an expansive, robust and vital role, in particular after the 30 June transition. In this regard, I urge that Member States contribute to the future of Iraq by providing troops to carry out the function of security support for the essential United Nations role. Member States should contact my delegation or other Coalition members as soon as possible.

The end of the occupation and the assumption of governing authority by the Iraqi interim Government on 30 June will mark the beginning of a new era for the people of Iraq. Ambassador Brahimi has consulted with a wide range of Iraqis both inside and beyond the Governing Council over the past 10 days, and just two days ago he outlined his preliminary recommendations for the transition process. The United States welcomes his highly constructive recommendations and looks forward to hearing about them in greater detail.

The Coalition's commitment to Iraq will continue well beyond 30 June, nonetheless. The transfer of sovereignty will not bring total calm to Iraq, and the multinational force will be needed in Iraq to continue to support Iraq's security forces until they can assume sole responsibility for the security and stability of their country.

In the months to come, we will witness continuing efforts by a new Government to further develop institutions of democracy and take on the critical task of preparing elections for the transitional National Assembly, which will subsequently draft a new constitution. That new Government will be challenged by those who are now, and have been, challenging the Iraqi security forces and the multinational force, those who believe that the indiscriminate targeting of the Iraqi people and the international community will erode our shared resolve to see Iraq through a successful political transition. But together with our partners in the international community and the Iraqi people, we will continue to stand fast, anchored by the vision of a stable and secure Iraq at peace with its peoples and its neighbours.

The President: In accordance with the understanding reached in the Council's prior consultations, I should now like to invite Council members to informal consultations to continue our discussion on the subject.

The meeting rose at 10.35 a.m.